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***De Sol a Sol: The Limits to Union Organizing in the
Nontraditional Export Plantations of Northern Peru***

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***De Sol a Sol: The Limits to Union Organizing in the
Nontraditional Export Plantations of Northern Peru***

by

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One week before I took my first steps onto Peruvian soil, my first onto the continent of South America, Lori Berenson was granted a conditional release after serving 15 years in Peruvian prison for her unlawful association with the terrorist group the *Movimiento Revolucionario Túpac Amaru*. The outspoken brunette from New York was 26 years old when she was delivered a life sentence from Peru's military tribunal. In June of 2010, I was also 26, reeling from my first year of graduate school.

It was in the summer of 2010, in the thralls of metropolitan Lima, that I began to pursue nebulous interests that would eventually form this thesis. After two weeks of meetings and interviews, I would head due north out of Lima on the *Panamericana* towards the arid coastal region of La Libertad. In the city of Chao, at the heart of the northern agroindustry, sand blew in every direction. It stuck to the lips of children as they ate their ice cream, blew into the eyes of workers as they bent to harvest ripe asparagus, and invaded the office of the city manager who appeared to be losing a long and unwinnable game against Mother Nature.

That summer, the country of Peru captivated all of my senses and became a land of enchantment with which I would happily engage in a research-in-love affair that would last for more than two years. Of all the people who helped me along the way – my initial contacts at CEPES, the women at Aurora Vivar, and the lawyers who would help me make sense of a foreign context – no group was more central to the production of this study than the workers that occupy the plantations of La Libertad. Their humility, graciousness, and commitment to challenging hierarchies of power and capital in the name of future generations will live with me as I move beyond graduate school. Without their generous treatment of my requests, this study would never have been possible.

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Abstract

De Sol a Sol: The Limits to Union Organizing in Nontraditional Export Plantations of Northern Peru

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The University of Texas at Austin, 2012

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The liberalizing economic reforms that began under Fujimori in the 1990s have had a profound impact on primary production processes throughout the country of Peru. In the northern coastal region of La Libertad, such reforms have rearranged the physical landscape for the cultivation of nontraditional exports and have as a result altered internal migration mechanisms that provide abundant and cheap labor to domestic and multinational corporations operating on the coast. The downward pressures on labor have been acute as Peru competes for investment on a global scale with other developing countries. Organized resistance in response to poor working conditions and an inadequate regulatory framework has made few tangible gains over the years despite widespread discontent among agribusiness workers. Looking at the macro-level economic framework and national legislation, ethnic divisions of labor and task specification, as well as internal corporate practices that dissuade union affiliation, this study will examine the factors that have limited union organizing in northern Peruvian agribusiness the role of corporations, specifically that of Camposol, in community and regional development.

Table of Contents

| | |
|--|------|
| List of Figures | viii |
| Chapter I: Introduction and Methodology | 1 |
| Chapter II: Methodology and Questions..... | 9 |
| Chapter III: Trade and Labor in the Peruvian Context | 19 |
| 1930 – 1968: | 22 |
| The Military Junta from 1968 – 1975:..... | 25 |
| The 1980s and Economic Crisis: | 27 |
| Fujimori and the Fall of a Caudillo:..... | 28 |
| The Law 27360: | 32 |
| Post-Fujimori: | 34 |
| The New Trade Policy with America: | 35 |
| Chapter IV: Agribusiness, La Libertad, and Chao..... | 39 |
| The Growth of an Industry..... | 39 |
| Agribusiness..... | 43 |
| Camposol | 45 |
| The Role of the State..... | 48 |
| A Strategic Plan for La Libertad..... | 52 |
| Chao: “Distrito ecológico capital de la agroindustria” | 54 |
| The Quiet Nights of Isabel..... | 61 |
| Chapter V: Foreign Capital and Interior Migration | 64 |
| Ethnicity in Peru | 68 |
| Ethnic Tensions in Chao | 69 |
| Ethnic Divisions of Labor..... | 71 |
| Chapter VI: Labor in the Plantation..... | 75 |
| Verbal Harassment..... | 76 |
| Wages and Hours | 79 |

| | |
|---|-----|
| Interference with Labor Organizing..... | 80 |
| Seasonality and Job Security | 82 |
| “Jovencita Soy” | 84 |
| Gender and the Workplace..... | 87 |
| The Work Environment and Power-Biased Technical Change | 89 |
| Chapter VII: Labor Unions in La Libertad and the Case of SITECASA | 92 |
| The Early Years | 92 |
| The Protests of 2010 | 97 |
| The Fall of Camilo | 100 |
| The Internal Dynamics of SITECASA | 104 |
| Chapter VIII: Limits to Resistance and Conclusions..... | 106 |
| Conclusions..... | 113 |
| References..... | 116 |

List of Figures

| | |
|--|-----|
| Figure 1: An asparagus field in Camposol's <i>Fonda la Gloria</i> outside of Chao..... | 46 |
| Figure 2: An <i>invasión</i> on the outskirts of Chao. | 57 |
| Figure 3: Clara with her son and neighbor in one of the reed <i>invasión</i> houses. | 60 |
| Figure 4: Flor in her room at <i>El Milagro</i> | 85 |
| Figure 5: Julio recruits women for a protest in 2010. | 93 |
| Figure 7: Jorge, holding his cell phone, tries to guide Camilo through negotiations with Camposol representatives. | 102 |

Chapter I: Introduction and Methodology

As a region, Latin America began looking to the global market in hopes of stabilizing large debt payments and spurring economic growth throughout the 1990s. In recent years, nontraditional exports¹ have become the centerpiece of export-oriented strategies, with some bodies of research using the term synonymously with a larger set of economic reforms intended to correct the imbalances that led to debt in the first place – namely, those associated with import-substitution strategies.² While studies have shown the economic growth potential of nontraditional commodities to be high in the short term, questions remain as to how a nontraditional export-centered economy will affect the long-term development potential of Latin America and, in this case, the country of Peru.³

In this section, I will briefly outline some of the authors and lines of thought that served to theoretically frame and guide my research. I will then discuss how this study fits among those bodies of work before moving on to a description of the methodology I employed in the field.

The transformation of the Peruvian rural sector has occurred over the past four decades, spurred at its onset by the agrarian reform officially begun in 1969 as a project of the Military Junta. Peruvian elites found peasant uprisings and consequent land reform to be a poor answer to the country's lack of productive capacity, turning instead to modernization as a strategy for economic development. The *haciendas* of the landed elite would eventually become the predecessors to the modern Peruvian plantation depicted in this study. In La Libertad, a northern coastal region long known for its fertile soil and

¹ Nontraditional exports have been used, according to Barham et. al, as a term that comprises three distinct processes: First, an export can be described as nontraditional because it has not been grown in a country before. Second, the term can refer to a product that used to be grown for domestic consumption and is now grown, primarily, for export. The third use of the term is used with reference to the development of a new market for a traditional product, such as a country that has not previously bought the product.

² Bradford Barham et al., "Nontraditional Agricultural Exports in Latin America," *Latin American Research Review* 27, no. 2 (January 1, 1992): 43–82.

³ Ibid.

agricultural production, the shift towards nontraditional exports and the modernization of *haciendas* began on the region's vast sugar estates. As was the case throughout Latin America, a combination of fertilizers and pesticides, the advent of irrigation systems, and the vertical integration of production processes led to a rapid increase in productivity. The so-called Green Revolution had the effect of increasing total hectares under production, re-concentrating fertile land in relatively few powerful hands, and displacing peasants from land acquired during agrarian reform. Over time, this land has been slowly transferred to private investors. As Feder (1977) points out, in these years the rural elite became the commercial elite.⁴

With the advancements of the Green Revolution came greater efficiency of both land and labor. The growing interdependence between agriculture and industry, which acquired the label 'agribusiness,' an endeavor that in La Libertad – and throughout Latin America – came to be largely dominated by foreign investors and large multinational corporations (MNCs) – the *neo-latifundistas*. This has created a twist on the classic conflict between the rural proletariat and the landed elite, as the commercial elite "has an increasingly broader international connotation. Rural labour is not facing just a powerful class enemy anymore, but transnational investors and corporations whose political and economic power is infinitely greater than the former."⁵

The increasing presence of agribusiness has had two notable effects on rural populations. Many small-scale farmers have entered into contracts with agribusinesses, leasing their land for production and becoming economically dependent on agribusiness as a result. The second effect, and the one that will be a central focus of this study, is the separation of the rural peasantry from their own means of production and a massive

⁴ Ernest Feder, "Agribusiness and the Elimination of Latin America's Rural Proletariat," *World Development* 5, no. 5-7 (May 1977): 559-571.

⁵ *Ibid.*, 561.

internal migration towards employment opportunities on these plantations. In the case of La Libertad, this has caused the unanticipated growth of a number of rapidly formed towns and communities to house migrant workers. As the State scrambles to provide migrants with basic services, the company has enjoyed access to an ever-evolving population of low-skilled workers looking for employment.

One of the core objectives of recent neoliberal policies, as noted by Murray (2006), has been the exploitation of comparative advantage in the agro-food market by developing countries. Nontraditional export plantations have been a central means by which such an objective has been realized. The surplus of cheap and readily available labor paired with the increasing pressures put upon labor and the environment in a globalized market has had the effect of pitting capital against labor and small farmers and migrant workers against agribusiness.⁶

The readings of Marx's *Capital* (1990) are useful in discussions of capital and labor by way of product commodification. As is true with any other economic activity in a capitalist society, agribusiness is driven by the extraction of profit. The physical bodies of commodities –as is the case with nontraditional exports such as asparagus, avocados, and red peppers in La Libertad – are a combination of two elements, according to Marx: the material provided by nature and that which is provided by labor.⁷ The economic surplus afforded by capitalist production is dependent on both the productivity of the labor force and the exceptional characteristics unique to the land.

As La Libertad region of Peru has growth further integrated with global markets by way of nontraditional exports, the relationship between local labor markets and international consumers has grown stronger. Furthermore, the relationship between the

⁶ Warwick E. Murray, "Neo-feudalism in Latin America? Globalisation, Agribusiness, and Land Re-concentration in Chile," *Journal of Peasant Studies* 33, no. 4 (2006): 646–677.

⁷ Karl Marx, *Capital: Volume 1: A Critique of Political Economy*, trans. Ben Fowkes, Reprint. (Penguin Classics, 1992).

State and private investors has driven decision-making processes and resource allocation. The influence of private capital and the effect on local labor is discussed by Bourgois (1989) in his research on the important role that private capital by way of the United Fruit Company came to play in local Costa Rican politics. “[Corporations] interact at the highest levels of government to ensure the protection of their interests,” he said, adding that the most common favors granted by local governments are lower taxation rates and generous land concessions. The third incentive meant to attract and maintain foreign investment is the lowering of labor costs, a strategy that has been employed in La Libertad with affects that will be discussed below.

As globalization continues to increase direct competition between countries, the downward pressure placed upon the labor force continues to grow. The phenomenon known as “race to the bottom” predicts that those countries with the least restrictive labor (and environmental) standards will be the most attractive to foreign capital. As noted by Vandenburg and Liu (2010), “Agricultural or raw materials markets, once they have been globalized, subject labor in the country to arguments that pay and benefits, if any, must be reduced if indigenous extraction industries are going to survive.”⁸

While northern coastal Peru was identified by investors as having several advantageous geographic characteristics – fertile soil and nearness to ports among them – it was both the economic and labor incentives that made the region a destination for national and multinational corporations looking to enter the agribusiness. As a result, the growth of La Libertad nontraditional export industry has been largely led by agribusiness. While not all agribusiness operating in La Libertad is in the hands of multinational corporations, the research on MNCs has several applications to the development of

⁸ Henry Vandenburg and Junqing Liu, “Campesino Communities in North Peru: Local Consequences of Globalization,” *The Global South* 4, no. 1 (2010): 122.

agribusiness in La Libertad. As Bury (2008) explains, transnational and multinational corporations transform the natural environment in a way that affects not only regional and global ecological processes, but also the “local populations that are dependent on them for survival.”⁹

Furthermore, the rapid growth and expansion of agribusiness in La Libertad has been afforded by the liberalization of the labor market on behalf of the Peruvian government. The restructuring of the relationships between capital and labor is a classic and essential component of capitalist development. As is the case in Peru and throughout Latin America, the relationship between capital and labor in export-oriented capitalist markets has become increasingly flexible in recent years as part of a larger set of policies prescribed by neoliberal economic strategies for development. The diverse effects of the flexibilization of the labor market throughout the developing world have been the focus of much academic debate.

According to Taylor (2002), what is at stake with labor flexibilization is the “flexibility of capital to absorb, utilize, and eject labour from the production process.”¹⁰ Furthermore, labor flexibilization tends to remove the state institutions that once mediated the treatment of labor, putting such relationships instead in the hands of capitalist enterprises while making it easier for them to hire and fire laborers. Proponents of labor flexibilization hold it as a strategic route to job creation and economic growth, while its opponents lambast such tactics as a capitalist tool to heighten exploitation and abolish worker rights.¹¹ As this study analyzes the ongoing challenges to the expression

⁹ Jeff Bury, “Transnational Corporations and Livelihood Transformations in the Peruvian Andes: An Actor-Oriented Political Ecology,” *Human Organization* 67, no. 3 (2008): 307.

¹⁰ Marcus Taylor, “Interrogating the Paradigm of ‘Labour Flexibilization’: Neoclassical Prescriptions and the Chilean Experience,” *Le Paradigme De La “Exibilisation Laborale” En Question: Les Prescriptions Néolibérales Et L’Expérience Chilienne*. 35, no. 2 (November 2002): 222–251.

¹¹ Ibid.

of labor rights in the northern Peruvian industry in the wake of labor flexibilization processes, it tends to agree with the conclusion of the latter, contradicting in part the conclusions of the former.

The study that follows will consider how the rapid creation of thousands of jobs in a previously economically sluggish region has altered the physical and demographic composition of the region, established new divisions of labor, given rise to impassioned labor protests and seen, after much struggle, the first agribusiness union in northern Peru. It will then look at the ongoing challenges to labor organizing and the impasses to greater expression of basic labor rights ensured under several international agreements to which Peru is signatory. I will use the case of Camposol, the largest agribusiness in Peru and the largest exporter of asparagus in the world, to explore the opportunities and limitations associated with organizing within the industry. Furthermore, I will look SITECASA, the only independent union of Camposol, as an example of resistance to the distributive inequalities created by agribusiness in the region. The limits to organization in the case of SITECASA speak to wide-reaching challenges to workers throughout the northern Peruvian agroindustry.

While a large body of research has focused on the economic viability of nontraditional exports as a development strategy, there has been less work done on the role of export-oriented agribusiness and the various ways that it has occupied and transformed local communities and geographies of production. As noted by Murray (2006) and Bury (2008), there have been few studies that seek to understand the grassroots impact, changes to the division of labor, and the process of class formation within nontraditional export markets. Aside from the geographical transformations undertaken in the region of La Libertad, the introduction of nontraditional export plantations has had the effect of rearranging local and migrant populations, altering the

social fabric of local communities and affecting the movement of labor on the regional level.

Specifically, the employment opportunities created by agribusiness in La Libertad have drawn tens of thousands of internal migrants from neighboring provinces in the Amazon and Andes regions. Generally, these migrants come by way of two major mechanisms: social networks and recruiting practices. The composition of the migrants is reflective of the ethnic composition of neighboring regions, which tend to have much higher indigenous populations than the coastal region of La Libertad. Although migrants arriving to coastal Peru are by and large Peruvians, theories that follow the ‘internationalization of the local economy’ are pertinent to discussions of migration in La Libertad insofar as they speak to the ethnic diversification of the growing labor pool.¹²

Soja (1989) describes a scenario in the Los Angeles manufacturing industry that has similar characteristics to the processes underway in La Libertad. In Los Angeles, an ethnically diverse migrant population – from Mexico, Central America, Southeast Asia and the Middle East – provides an overflowing pool of cheap labor.¹³ As a result, companies were able to exploit the differences between the different groups of labor with the effect of decimating organized labor. As we will see in discussion below, there are some similarities that can be drawn between this case and the case of migrating workers to the region of La Libertad. The origin and ethnicity of Peruvian migrants has come to play an important role in the evolving divisions of labor in agribusiness. Furthermore, the study how these divisions of labor may correlate to the permanence of workers in the industry and predict their involvement in labor activities.

¹² Edward W. Soja, *Postmodern Geographies: The Reassertion of Space in Critical Social Theory* (Verso, 1989).

¹³ Ibid.

The importance of gender in processes of economic globalization has been the subject of large bodies of research in recent years as women are entering the workplace in new occupational roles. Women have long played an important role in agricultural sectors of many developing countries, including Peru. In Latin America and the Caribbean, regions that have shown strong shifts towards agribusiness in recent years, women have been increasingly entering the workforce en masse as income earners working alongside male counterparts. In Peru, an estimated 70 percent of workers laboring in asparagus plantations are women.¹⁴ Despite this fact, there are several institutional and historical challenges that continue to problematize the participation of women in the productive sector. The young age at which women enter agribusiness – generally 18 to 25 – as well as deep rooted gender discrimination tied to the female capacity for child bearing are two primary challenges that have systematically prevented women from being promoted to supervisory positions that would pay better wages and offer better job security.

In the study that follows, I hope to shed light on the complex and interacting processes that have localized and contextualized the impact of nontraditional export market development on the workers and communities in the Chao and Virú valleys of La Libertad region.

¹⁴ Miguel Calisaya and Karim Flores, *La Agroexportación No Tradicional En El País De Las Maravillas*, 2006.

Chapter II: Methodology and Questions

I will base this study on research conducted in Peru over the years of 2010 and 2011. The section below will broadly outline the methodology that I employed in the field and while analyzing data at the University of Texas. It will further describe considerations of positionality and the questions that I sought to answer while working in the northern region of La Libertad.

The members of the labor union SITECASA forced their way into the spotlight – and eventually into the heart of my research – with a series of impassioned chants and yells. I arrived to Chao in June of 2010 in the midst of particularly tense collective negotiations between SITECASA workers and their employer Camposol. A few weeks prior to my arrival in Chao, I had approached the Asociación Aurora Vivar, a Lima-based nonprofit that works to promote processes of collective action among workers throughout the Peruvian agroindustry. That I came to be in contact with Aurora Vivar was by way of suggestions made by researchers working at the Peruvian Center for Social Studies (CEPES), also in Lima. Their guidance was imperative in my beginning days and weeks on the project.

I first visited Chao with Ana Montoya, a representative of Aurora Vivar who frequently travels from Lima to offer counseling to union members as they approached collective negotiations with their respective corporate counterpart. On this day in June, Montoya was travelling to support SITECASA members on the eve of a widely-supported worker strike that was set to begin if collective negotiations – currently underway – didn't adequately respond to worker demands. The Regional Ministry of Labor, the state entity that oversees all labor complaints, had deemed the impending strike to be legal, further bolstering the position of negotiating union leaders. Montoya,

who carefully maintained an air of pragmatism despite her clear commitment to radically improving labor relations between workers and corporations, was optimistic that the current negotiations might bear a particularly symbolic and elusive fruit: an increase to the workers' minimum wage. In all her years working with unions, this would be the biggest stride for the workers' movement should SITECASA achieve its goals.

As a researcher, the appeal of the proposition was obvious. The low wages of agroindustry workers was a well-known topic of controversy dating to legislation passed during the reign of Alberto Fujimori. The laws had been challenged as unconstitutional and their undoing had long been the platform priority of agribusiness workers nationwide. I had been caught in the middle of a potentially landmark decision and was drawn, quite literally, through the open doors of the SITECASA locale in the middle of negotiations. Although SITECASA owned a small office in the nearby town of San José, on this night they had gathered behind a bus station on the *Panamericana*, the mega trans-continental highway that passes through the town of Chao. In the upcoming months and on several occasions in 2011, I would spend my time in Chao much in the way I did on this first night in June, observing SITECASA workers as they worked to identify problems and negotiate, in a manner that was equally inspired and chaotic, solutions to the challenges that most threatened them as workers, fathers, and mothers.

In total, I spent more than four months in La Libertad. During this time, I did numerous interviews with union leaders and members, non-unionized workers, community members, representatives of Camposol, and government officials. When I wasn't interviewing, I was jotting down observations and bits of loose conversation in my notebook or participating in a wide range of worker-related or community-based activities throughout the valleys of Chao and Virú. I spent most of my time in Chao, the town that also houses the headquarters of Camposol, but spent considerable time in the

community of Nuevo Chao – an extension community of Chao – and the nearby town of Virú that, along with Chao, is the other sizeable city in the heart of agribusiness production. These cities, which existed long before the introduction of agribusiness to the arid coast of La Libertad, have grown rapidly since the arrival of the nontraditional export plantations in the 1990s.

Qualitative research methods, as opposed to quantitative methods, were far better suited for the kind of information I was looking to collect. Almost all of my analysis, with the exception of some economic and market context, will be based on interviews and observation collected while living and participating in the ongoing search for harmonization between union organizers, the State, and agribusiness interests. Ethnography is a method of observation commonly employed by anthropologists and other social scientists looking to discern meaning and formulate knowledge from an amorphous set of social patterns and complex interactions. The object of ethnography, according to Geertz (1990), is a “stratified hierarchy of meaningful structures in terms of which twitches, winks, fake-winks, parodies, rehearsals of parodies are produced, perceived, and interpreted and without which they would not in fact exist, no matter what anyone did or didn’t do with his eyelids.” Ethnography makes use of what he and Gilbert Ryle have called “thick description,” a detailed drawing of a people, culture, or interactions that allow for an analysis of these structures of significance.

In the study that follows, you will notice that my writing takes on three distinct tones: that of someone writing a personal narrative, that of a journalist telling the stories of workers and the experiences that they have lived, and that of an academic attempting to lay theory overtop the reality of observations and findings in the field. This meandering between tones is reflective of the disciplinary intersections between journalism and Latin American Studies that have resulted in what may, at best, approach

a style reminiscent of narrative journalism and, at worst, keep readers jumping between description and context while losing the overall impulse of the work. My hope is that the narrative breaks in the text will offer a window into the lives of the workers I spent so much time getting to know. Their words, the beds they slept in, and the decorations that hung on the walls they called home are details that help to make more personal a study that simultaneously attempts to draw broad conclusions.

As I documented the stories related to me by workers and community members, I began to weave a solidified if not highly heterogeneous notion of reality for an agribusiness worker in northern Peru. While my primary goal was to understand the limits to the expression of labor rights in agribusiness, this became secondary to understanding the particularities of each individual story. Without attention to personal detail, it would have been impossible for a larger story to emerge. Although many workers were native to the coast, a large portion had come from rural provinces, leaving behind family, homes, and belongings in the name of economic opportunity. Before understanding their conceptualization of labor rights, I first had to understand their reasons for migrating and their experiences as a worker away from home.

Another important goal of my research was to understand what factors seemed to lead workers to join organized labor efforts, specifically those of SITECASA. In light of working conditions that were described as being almost unanimously difficult, demoralizing, and as the result of power relations that entangled questions of class, ethnicity, and gender, I wanted to know why some workers resisted such conditions and others chose not to. For those who had joined SITECASA, I wanted to understand what their experiences had been, what their perceived benefits of affiliation were, and what challenges seemed to impede tangible gains in collective negotiations.

The answer to this last question – or series of questions – was much more complicated than I had anticipated. Unionization rates, which were cited as one of the primary challenges to success by union members, appear to be impacted by a number of subtle factors that have interacted to discourage the affiliation of most workers to organized labor unions. The workplace – factory versus field – emerged as a predictor of union activity, as did place of origin and ethnicity, to some extent. Furthermore, the migration mechanism used by workers arriving to the plant held some bearing on the amount of time those workers were likely to spend in agribusiness, a factor which further influenced their decision to join a labor union. These considerations will be explored in more depth in the sections that follow.

On a larger scale, whether or not a worker chose to affiliate with a labor union was inevitably influenced by the historic oppression of labor movements in Peru as well as the dominating economic and legal framework that has discouraged union legitimacy in ways that will be discussed below. As is true throughout much of Latin America, Peruvian workers have suffered from systematic oppression by government forces throughout their history. As the State cedes more power to the invisible hand of the free market, union forces have largely been left to the mercy of private actors. The laws and economies that govern agribusiness have continued to play a role in the agency that unionized workers are able to express as individuals and in collective groups. It is also true that the corporate cultures and policies of MNCs and domestic agribusiness – Camposol in this case – play a large role, both subtle and overt, in determining the perceived freedom of workers looking to organize to improve working conditions.

It was due to these difficult to describe and complex set of processes guiding union organizing efforts and the decisions made by individual workers that I chose qualitative methods of evaluation. It was in the long hours that I spent in the union locale,

riding buses with workers to and from the fields, and meeting them in their homes at the end of a long workday that I began to grasp the complex relationships of power in the workplace that intersected with their own understanding of ethnicity and how the stratospheric framework of the free market spoke to the malnutrition of children in local schools. Everything was connected and nothing was insignificant.

My ability to successfully approach workers, both unionized and not, grew in direct proportion to the amount of time I invested in the community. The more familiar I became with all of the people that formed part of the city of Chao – the street vendors, the police officers, and the boys that manned the counters at the numerous Internet cafés – the smaller the perceived barriers between me as researcher and them as resident became. I spent many hours talking about the delicacies of the Peruvian cuisine, the failings of the *blanquirroja*, and the promises of the newly elected Ollanta Humala before I earned my way to questions about their families, their stories of migration, and their relation to agribusiness.

As anthropologist Philippe Bourgois describes in her book *In Search of Respect*, “only by establishing long-term relationships based on trust can one begin to ask provocative personal question and expect thoughtful, serious answers”¹⁵

There were abundant reasons as to why this trust – or any such trust earned by a researcher – would be (and should be) difficult to earn. The first reason, and arguably the most serious in the agroindustry of La Libertad, was the precarious nature of the jobs held by all workers in the valleys of Chao and Virú. None of the workers, unionized or not, had many illusions about job security nor the uniqueness of the skills that they brought to the position. They were highly aware that companies were doing well at least in part

¹⁵ Philippe Bourgois, *In Search of Respect: Selling Crack in El Barrio*, 2nd ed. (Cambridge University Press, 2002).

because of an abundant, cheap, and replaceable workforce. Asking for trust from workers was dependent upon first asking them to spend time with me, both of us well knowing that being seen together could put their job at risk and, moreover, that I was likely to ask them questions that could put their employers in a compromising light. This remained a delicate issue throughout my research.

The second hurdle, arguably easier to overcome, was a prevailing suspicion among workers that I was affiliated with the company, spending long hours with the union and asking for interviews only to undermine organizing efforts. This assumption, as it was explained to me by a number of workers, was largely due to my skin color and presumed class background. Whiteness, they explained, was a characteristic that most workers – not white themselves – associated with upper management in the various agribusinesses that employed them. “You are the same color as management,” Jorge, a field worker at Camposol, said to me before a large union meeting. “They’ll understand you, but you have to understand them, too.” This concern eased with time; as I grew closer to group leaders and workers, their ease with my presence grew stronger.

My primary methodological challenge, then, was a combination of overcoming – and avoiding – the fear among workers that my research could put their jobs and their families at risk. For those associated with SITECASA, being an openly identified member of the union was enough to generate company suspicion. The days of blacklisting union members and systematically applying layoffs to those who were seen to cause trouble weren’t yet in the distant past and, as many would argue, hadn’t yet ended entirely. Talking to a foreigner who had been alternately described to them as a journalist, an activist, and a researcher could potentially be another mark against their name. For many, it was a mark they didn’t want to risk. As I understood these concerns, I

didn't push interviews with anyone who wasn't interested and did my best to meet union members at night in their homes.

While the workers, company representatives, and government officials that I interviewed projected their experiences, realities and fears onto me, neither could I separate my experiences and unique positionality from my perceptions of them. As has been noted by other acclaimed ethnographers, Javier Auyero and Nancy Scheper Hughes among them, the perspective and judgments that we carry with us into the field are often the result of our own politics and experience.

Questions of positionality were central throughout the research process, not only during interviews. In a participation-based study that engages questions of privilege, access to resources, and the legacy of domination and dependency imposed by policies pushed by the United States, it was impossible – and would have been arguably irresponsible – to have separated my own background from my work. The process of conducting research, collecting data, and performing interviews was an extension and alteration of internal processes that had been set into motion nearly three decades earlier.

Gender – both mine and that of the workers and other interviewees – was a solid undercurrent to many of my experiences in the field. As a woman working among plantation workers in an industrial and agricultural settling, most of the unionized workers, ranking officials, company representatives, and other industry players that I interviewed were male. The different roles that men and women held in Peruvian society were reflected in my interviews and projected onto me as a visitor in their land. The information collected in interviews with women and men similarly reflected how society had historically defined the roles of men and women in decision-making processes and the specific challenges that corresponded to female workers both in the home and in the plantation.

Those who work in the coastal agribusiness are arguably some of the most vulnerable members of the *sociedad Liberteña*, women holding a particularly precarious position due to the seeming incompatibility of plantation employment with the demands child bearing and rearing. Discussions of poverty, which often center on ethnicity and power dynamics, can lend themselves to further promoting negative stereotypes and “the other”-izing of, in this case, the working poor as a kind of agribusiness proletariat. Without drawing universally broad conclusions, this study looks to highlight some general tendencies embodied by a concrete and specific context as observed in the coastal agribusiness of La Libertad. In doing so, it will attempt to shed light on how the particularities of such research could lend themselves to broader patterns telling of the challenges to organizing among workers in similar agribusiness contexts.

Over the course of the total three and a half months I spent in La Libertad, I collected a total of 49 interviews – 17 of these were audio recordings and the other 32 were noted in my journals; all of them were later transcribed for use in this study. Most interviews took place in the communities of Chao, Nuevo Chao, and Virú. Interviews were done, as I mentioned, in the privacy and quiet of workers’ homes when possible and in public places (parks, plazas) or restaurants when no other such option was available. Although the workers lived in a number of small settlements or formal towns that have grown along the edges of the expansive export plantations, most of the workers were collected at the beginning and end of each day at bus stops in Chao. This, in addition to the fact that I was living in Chao while undertaking this research, made it an obvious and convenient location to approach workers to interview. I relied on outgoing union members and the trusted contacts of Aurora Vivar to carry out preliminary interviews. From there, I was carried by the good will of workers, whose casual introductions and contact suggestions allowed me to organically grow my list of participants.

Interviews ranged from 30 minutes to two hours in length and were loosely based around a series of five to ten questions relating to place of origin, mode of migration, working conditions on the plantation, their experiences at work, and their reasons for affiliating (or not) with SITECASA. As one would imagine, such questions often led to lengthy personal narrative and background descriptions that endured numerous refills to my glass of Inca or Coca-Cola. But while the importance of lengthy discussions were not always apparent to me at the time of the interview, as the weeks went on these conversations became basis by which I began to understand how decision-making processes and the creation of meaning different among workers. The informal nature of the interviews also allowed space for workers to raise questions or voice concerns about things that didn't appear on my list of questions. In this way, I gained a sense of what issues were most important to specific workers.

In 2010, I interviewed a total of 13 workers. Of these, 10 belonged to SITECASA and three did not. In 2011, I interviewed an additional 19 workers, with some repeat interviews with workers from the previous year not reflected in that total. Of the 19 new workers that I interviewed in 2011, 11 were unionized, eight were not. In total, I did 31 formal interviews with workers, 21 unionized and 10 that were not. As I will discuss in following sections, almost all workers were divided into two categories that became an important distinguishing factor as discussions of union affiliation came to the forefront: those who worked in the factory and those who worked in the field.

In the next section, I will establish a historical link between trade and labor in Peru and elsewhere in Latin American before entering into a more specific discussion as to how these ties continue to inform the circumstances present in La Libertad agribusiness.

Chapter III: Trade and Labor in the Peruvian Context

Trade and labor have historically been pitted against one another in questions of modernization and policies of economic liberalization. As globalization continues to increase direct competition between countries, the downward pressure placed upon the labor force continues to grow. The phenomenon, known as the “race to the bottom,” predicts that those countries with the least restrictive environmental and labor standards will attract the most investment. Liberalizing tools, such as free trade agreements, have further opened the markets of several Latin American countries to multinational companies from the United States and Europe who are looking to capitalize on low labor costs and non-existent or weakly enforced environmental and labor regulations.

The research outlined in this chapter intends to shed light on how this general conflict has played out in the country of Peru and specifically in the context of the recently signed U.S. – Peru Free Trade Agreement, also known as the Peruvian Trade Promotion Act (PTPA). The PTPA, which was signed in 2006 and went into effect in early 2009, contains an updated labor chapter which sought to address some of the concerns associated with the “race to the bottom.”

This chapter will trace major political periods in Peruvian history, exploring the trade frameworks dominant in each as well as the result for the collective labor movement where applicable. There has been much written about the way that trade and collective political activity have influenced one another as separate actors in Latin America, particularly in light of neoliberal policies that swept over the region as a result of economic crisis through the 1980s. Generally, Peru followed the regional trend of import-substitution policies in the 1960s and 70s, followed by the accumulation of foreign debt and economic decline that was countered by the opening of domestic

markets to international competition throughout the 1990s. The results of a collective Latin American turn towards the international market have been mixed, and while there is much to be said in evaluating the impacts of such policies beyond their effects on labor, such conclusions fall beyond the scope of this study.

The origins of the Peruvian labor movement, similar to those in Ecuador, lay in the mutual-benefit societies of the late 19th century. Such societies had all but disappeared by mid-20th century, replaced by the *sindicatos* that we see in present-day Peru. It was primarily in the post-World War II era that plantation workers, sharecroppers, tenants, and other peasant groups took part in the labor movement en masse.¹⁶

The coastal province of La Libertad, which is the geographical focus of this study, has rich and long-reaching ties to the labor movement. Early on, labor unions were used as a tool for political power by the American Revolutionary Alliance (APRA), a party founded by Victor Raúl Haya de la Torre, himself a native to Trujillo, the capital of La Libertad. The labor movement was closely tied to APRA until the 1980s, when a deep-reaching economic crisis caused union activity in the face of job insecurity to steeply decrease. Union activity, which remained stifled by slowly recovering economic conditions and new anti-labor laws enacted throughout the 1990s, reappeared in a meaningful way only after the fall of the Fujimori regime. Although union activity has increased under both Toledo and Garcia, a number of anti-labor measures from the Fujimori regime remain a challenge for labor organizers.

In a country where the State has come to be known to many as “*lejano y ajeno*,” – both remote and foreign – and neoliberal policies have ceded responsibility to private

¹⁶ Robert Jackson Alexander and Eldon M. Parker, *A History of Organized Labor in Peru And Ecuador* (Greenwood Publishing Group, 2007).

entities and the free market, the role of the union as mediator between the concerns of workers and the companies that employ them has become more important in recent decades.¹⁷

As Rosa Arciniega (1995) describes, one cannot talk about the capacity for union strength without talking about industrial relations. And when we talk about industrial relationships, we are necessarily talking about a complicated confluence of industrial-legal frameworks, power structures, as well as norms and practices that regulate work relations and conditions in a triangle between the State, capital, and labor.¹⁸

As Moisés Arce (2008) notes, the dominant perspective on neoliberalism and political (and labor) organizing paints “economic liberalization as the cause and consequence of widespread social depoliticization and demobilization.”¹⁹ This theory suggests that the economic crisis and consequent neoliberal resolutions, as seen in Peru through the 1980s and 1990s, collectively hurt the capacity of society to organize and mobilize around their concerns. Arciniega (1996) similarly posits that the weakening of unions over the years has been tied to changes in the international division of labor, which has led to abnormal (temporary) contracts, a larger group of workers in the informal labor market, and other destabilizing factors.

Yet, as Arce points out, this prevailing school of thought doesn’t adequately explain the recent resurgence in protest and organizing in a country or region that in large part continues to embrace a neoliberal market as a guiding force. The market may, he argues, actually act as a stimulating force for labor organizers and political involvement. A second school of thought has emerged as a result, emphasizing the repoliticization of

¹⁷ J. Ansión and F. Tubino, *Educación Ciudadana Intercultural Para Los Pueblos Indígenas De America Latina En Contextos De Pobreza* (Lim: RIDEI, PUCP, 2004).

¹⁸ Rosa Arciniega, “Relaciones Industriales y sindicalismo en Perú,” *Estudios Sociológicos* 14, no. 41 (August 1996): p331–352.

¹⁹ Moisés Arce, “The Repoliticization of Collective Action After Neoliberalism in Peru,” *Latin American Politics and Society* 50, no. 3 (2008): 37.

actors in the wake of efforts to liberalize the economic framework. This is especially true, he argues, if political liberalization efforts have taken place concurrently.²⁰

What Polyani (1957) described as the “double movement” is relevant when discussing the recent resurgence of collective action, protests, and labor activity in Peru in recent years. In his theory, the market and “huge fictitious bodies called corporations” which exact a high social cost and alter the “fabric of society,” would be met with resistance by a countermovement aimed at protecting society’s most vulnerable members from the “effects of an untamed market.”²¹ Thus, instead of demobilizing a population of affected workers, the market may have created the conditions and the space for workers to mobilize against the social costs of liberalization.

Still there are likely a number of factors that explain the resurgence of union activity in Peru in recent years, among them labor laws that have given more space for unions to form and participate in negotiations. The next sections will look at how the historical evolution of trade and labor through the years as a background that will frame the emergence of SITECASA and contextualize some of the broadest challenges faced by the union.

1930 – 1968:

Throughout the 1950s, Peru diverged from the nationalist trends that prevailed throughout Latin America, inviting foreign direct investment into the country in such a way that by 1960 the State’s share of national investment was much lower than in other South American nations. Although this tendency towards foreign investment has been touted as “symbiotic” by Thorp (1983), who claims that international investors worked

²⁰ Arce, “The Repoliticization of Collective Action After Neoliberalism in Peru.”

²¹ Karl Polanyi and American Council of Learned Societies, *The Great Transformation*, 1st Beacon paperback ed., Beacon Paperback BP 45 (Boston: Beacon Press, 1957).

alongside Peruvian companies, the ultimate effect was a weakening of forces that in other countries led to the strengthening of nationalist groups and administrative capabilities and structures.²²

By 1960, the export-led growth model had rendered the State weak and a crisis that grew out of the inconsistencies between the changing socio-political context of the country and a resource-based, extractive development model began to unfold. Exports slowed and investment nearly came to a halt. The business-friendly conditions that multinationals (MNCs) had come to enjoy in Peru were appearing increasingly incompatible with social and political sentiments.

The shift towards import substitution began shortly thereafter. The investment coefficient in the period between 1955 and 1958 was 17.5 percent in the private sphere, compared to 10.8 percent between 1964 and 1968 and a near thirding of private investment between 1974 and 1976, when the rate teetered at a meager 6.5 percent.²³ While the steady decline of investment through the 1960s was not the only indicator of an economy and society in distress, it was a primary factor that, according to several scholars, in part predicted the military coup that would ensure in 1968.

The leverage of the labor movement in Peru mirrored changes in the economic and political landscape throughout these years. The institutionalization of labor relations in Peru began at the turn of the century, when the country began to look to foreign markets and export-dominated growth as a strategy for economic development. In these early years, the State recognized labor rights while establishing regulations that strictly limited workers' ability to exercise them. From 1930 to 1968, industrial relations were described as a hybrid with high levels of rigidity in the area of collective worker rights –

²² Rosemary Thorp, "Evolution of Peru's Economy," in *The Peruvian Experiment Reconsidered* (Princeton, N.J.: Princeton University Press, 1983).

²³ *Ibid.*, 43.

organization and collective bargaining – and high levels of flexibility in individual relations – workday hours, wages, etc.²⁴ Prior to 1968, benefits to workers largely came in an authoritarian manner, from the top down, and only during the military government (1968 – 1980) would workers begin to make real gains in collective labor rights.

Political leaders of the APRA worked closely with union leaders in the 1940s, 50s, and 60s, in a partnership that was, in some ways, mutually beneficial to candidates seeking to grow their support among the working class and to unions who needed political figures to champion their causes on a national stage. The APRA coordinated strikes with union leaders to be used as “political coercion,” a way to more directly target the government’s executive branch in these years.²⁵

In 1960, Peru became a signatory member to four of the eight International Labour Organization (ILO) fundamental Conventions (CO87, CO29, CO105, CO100) – one regarding the freedom of association, two regarding forced labor, and one dealing with remuneration and discrimination in the workplace. Later, in 1964, it signed on to an additional Convention (CO161), which granted the right to organize and collectively bargain. APRA has been, in large part, credited with these advancements. Within companies, however, the APRA encouraged what has been described as a “clientelism” that instilled a company-brand unionization whose goal was to avoid conflict in the political sphere. All gains made by labor unions at this time were described as being the results of company will more than reflective of successful organizing or respect for workers’ demands.²⁶

²⁴ Arciniega, “Relaciones Industriales y sindicalismo en Perú.”

²⁵ Ibid.

²⁶ Ibid.

THE MILITARY JUNTA FROM 1968 – 1975:

In October of 1968, military forces pushed Fernando Belaúnde Terry into exile and, headed by Juan Velasco Alvarado, seated the “Revolutionary Government of the Armed Forces” – the Military Junta – at the helm of what was seen to be sinking economic ship. The new government’s goals, ambitious and broad, were to end external dependence, accelerate economic growth, radically improve the distribution of wealth, carry out a number of reforms (agrarian, education, etc.), make Peru a leader of the Third World, and to create a “new Peruvian man.” Regarding the goals of the Military Junta, Velasco gave a speech in July 1968 stating that “the investment of foreign capital in our countries must be rationalized. Even though private foreign investment creates focal points of economic modernization in the conditions at present, it also serves as a means of sucking up the wealth of Latin American countries (...) The development of other areas of the world that operate as zones of expansion of modern industrialism becomes more dynamic because of the wealth extracted from Latin America.”²⁷

In total, roughly 4,000 laws were enacted during this time. Within a week of the takeover, Peru expropriated the International Petroleum Company, an Exxon subsidiary, and within the year enacted an agrarian reform that seized and divided the vast, wealthy sugar estates of the coast. It was announced that a new “special property” sector of worker-managed firms would dominate the new model of economic organization.²⁸

In 1971, Aníbal Quijano, a prominent Peruvian sociologist, dismissed the idea that the military government was acting in ways that countered imperialist interests. Instead, he declared the reformation of government as a new form of imperialist domination in Latin America. Others, including Laura Guasti (1983), contend that the

²⁷ Aníbal Quijano, *Nationalism & Capitalism in Peru: a Study in Neo-imperialism* (Monthly Review Press, 1971), 37.

²⁸ *The Peruvian Experiment Reconsidered* (Princeton, N.J: Princeton University Press, 1983).

military regime was, on the whole, a deterrent for investors looking to locate to Peru and had the effect, specifically in mining, of forcing corporations out of the country. This investment boycott, she maintains, led to an increase in foreign debt that put the country at the mercy of the banks. This further complicated one of the main goals of the military regime: economic autonomy.²⁹

Yet most scholars agree that the Military Junta undertook a project that, to some degree, fit under the broad definition of “nationalization” and that it had the slight to moderate effect of deterring foreign investment. The State expanded during this period and relationships with the foreign investors that stayed in Peru became much more symmetrical.

The Velasco years are marked by a transition to a rigid labor framework characterized by increased state intervention and a new body of legislation that is much more favorable to laborers than the flexible labor regime that prevailed during the Belaúnde administration. Reforms enacted during the first Velasco years pitted companies against the government, as it attempted to create better conditions and greater negotiating power for workers. According to Arciniega (1996), it was during these years that the Peruvian labor movement made its principal gains in wages and benefits.³⁰

It was also during this period that labor unions began to distance themselves from the APRA. The rate of unionized Peruvian workers continued to grow and in 1971 the *Confederación General de Trabajadores del Perú* (the CGTP), a centralized class-based union, was first recognized by the government. A year prior, in 1970, Peru signed yet another ILO Convention (CO111), this one dealing more specifically with discrimination in terms of race, color, sex, religion, political opinion, national extraction or social origin.

²⁹ Laura Guasti, “The Peruvian Military Government and International Corporations,” in *The Peruvian Experiment Reconsidered* (Princeton, N.J.: Princeton University Press, 1983).

³⁰ Arciniega, “Relaciones Industriales y sindicalismo en Perú,” 337.

The Velasco administration also introduced severance payments for laborers at this time. As a solidifying force among Peruvian unions, the CGTP was able to consolidate union goals and, in years to come, enter directly into negotiations with the national government without a party affiliation.

As unions broke away from APRA-based support, the CGTP and base-level unions grew increasingly close to left-wing political organizations and the Communist Party at a time that some researchers have noted as the beginning of the conflictive imagine that unions would acquire in the years and decades to come. Companies, which up until this point had enjoyed great flexibility in labor relations, fought the increase in union demands, resulting in a marked increase in strike activity.³¹ Overall, the military government oversaw a substantial increase in union affiliation and activity.

THE 1980S AND ECONOMIC CRISIS:

In 1980, with the Peruvian economy sinking deep into depression, the military allowed an election that would bring Belaúnde out of exile and back into Peru as president for the next five years. Despite having achieved 45 percent of the vote, an impressive margin in elections with 15 candidates, his support quickly faded as the Shining Path and other insurgent groups gained power.

The economic crisis was not specific to Peru, however. Throughout Latin America, the 1980s were characterized by a failure of nationalist-leaning policies to attract foreign investment and thus cover fiscal deficits. The regional response, with some exceptions, was the adoption of liberalization strategies and a withdrawal of the State from the economic sphere. International financing institutions offered conditional debt payment programs and structural adjustment. Most notably, the International Monetary

³¹ Ibid., 338.

Fund offered substantial conditional loans to several Latin American countries during this period.

Through the 1980s, Peru saw an economic decline that was unparalleled anywhere in South America. In 1989, the real minimum wage had plunged to 23 percent of what it had been in 1980, while the region as a whole was holding at 75 percent.³²

In 1983, Lowenthal wrote that “trade unions, still heavily influenced by political parties, are far stronger than they were in the 1960s, despite recent efforts to weaken them.” Unions were also reported as increasingly militant at this time, demonstrating their power and demands in the streets more freely than before.³³

In 1985, when Alan Garcia was elected president, he reversed the country’s cooperation with the IMF in favor of what he called a new movement towards Peruvian sovereignty. He pursued what would later be known as the “heterodox stabilization program,” refusing to pursue any privatizations and limiting debt payments until after domestic growth targets were met. In 1987, Garcia announced his intention to nationalize all banks and insurance companies. As the years passed, it was clear that the country was unable to support the cost of nationalizing financial institutions. His attempts at economic restructuring, ultimately flawed, have been compared to those attempted by Velasco years before.³⁴

FUJIMORI AND THE FALL OF A CAUDILLO:

In 1990, when Alberto Fujimori became the president of Peru, he took power amidst a groundswell of violence being committed by insurgent groups against the civilian population. Promising to act with a firm hand against the *Sendero Luminoso*

³² *The Peruvian Experiment Reconsidered*.

³³ Abraham F. Lowenthal, “The Peruvian Experiment Reconsidered,” in *The Peruvian Experiment Reconsidered*, ed. Abraham F. Lowenthal and Cynthia McClintock (Princeton, N.J., 1983).

³⁴ Carol Wise, *Reinventing the State: Economic Strategy and Institutional Change in Peru* (University of Michigan Press, 2003).

(Shining Path) and the *Movimiento Revolucionario Túpac Amaru* (MRTA), Fujimori enjoyed broad support from a population shaken by recent violence and weakened by the economic crisis of the 1980s.

Once elected, Fujimori enacted a series of neoliberal and free-trade oriented economic reforms, later known as “Fujishock,” that were brought immediately into effect. By 1991, the real minimum was had fallen to nearly half of what it had been in 1989, which was already severely low. By mid-1991, “critical poverty” had come to affect roughly half of the population.³⁵

Peru had grown to be severely indebted and again turned to international financing institutions, primarily the IMF and the World Bank, to facilitate a recovery. While structural adjustment programs sponsored by the IMF and World Bank were implemented throughout Latin America during this period, the economic shock therapy that Peru was dealt upon electing Fujimori was termed the “most severe form of economic engineering ever applied in Latin America, Sub-Saharan Africa or Eastern Europe since the 1981-1982 world economic recession.”³⁶

In broad terms, Fujimori followed the Washington Consensus recipe for economic recovery. He liberalized trade, privatized agricultural land, opened the banking system to private companies, and limited the role of the State across all sectors. Public employees were laid off and government expenditure was cut, particularly spending in education and health. The immediate social impacts were wide reaching. Research on these policies as a bundle emphasize the importance of a) the autonomy of state actors and exclusionary decision-making rights and b) the marginalization or defeat of those who opposed market liberalization, namely organized labor and labor-oriented parties.

³⁵ Cynthia McClintock, “Peru’s Fujimori: A Caudillo Derails Democracy,” *Current History* 92, no. 572 (March 1, 1993): 112.

³⁶ Michel Chossudovsky, “Under the Tutelage of IMF: The Case of Peru,” *Economic and Political Weekly* 27, no. 7 (February 15, 1992): 340–348.

On a plane to Washington to meet with a representative of the IMF, Fujimori is reported as saying to his advisor: “if the economic shock were to work, the Peruvian people would no doubt forgive me.”³⁷

On April 5, 1992, Fujimori suspended the 1979 constitution, sent several opposition leaders to prison, and disassembled the State’s Congress and judiciary branch. With support of the Peruvian military, he carried out an *autogolpe* (self-coup) that deliberately undermined Peruvian institutions and allowed him to build an executive branch that suited his economic and political agenda.

In 1993, the signing of the Andean Trade Preferences and Drug Eradication Act (ATPDEA) lowered a number of tariffs on Peruvian exports to the United States and encouraged the production of nontraditional exports – such as asparagus, artichoke, and avocado – in an attempt to thwart production of drugs in Andean countries. Years later, the ATPDEA became the foundation upon which the U.S. – Peru Trade Promotion Act would be built.

As McClintock (1993) notes, Fujimori enjoyed a 60 percent approval rating at the time of the *autogolpe* and most Peruvians believed that democracy as it was currently operating had failed. The “Government of Emergency and National Reconstruction,” a name of Fujimori’s post-*autogolpe* government, promised to build a better democracy.³⁸

While impoverished conditions throughout the country were maintained and in some cases made to be worse, workers grew more fearful of losing their jobs and labor activity decreased in a corresponding fashion. Many Peruvians also took on a second or third job to maintain their families, which made for less expendable time that could have otherwise been dedicated to a union. The APRA, which had historically led the labor

³⁷ Ibid.

³⁸ McClintock, “Peru’s Fujimori.”

unions and had politically directed the country for the previous 15 years, was held in-part accountable for the crisis at hand and lost both respect and influence throughout the country.³⁹

The market restructuring effectively limited the capacity of social actors to modify, in any way, the policy reforms that had been enacted; it had also limited the extent to which the State was able to incorporate societal demands. Along with the deep social consequences of Fujishock was the de facto elimination of all channels through which societal actors would have voiced their concerns.⁴⁰

In addition to economic vulnerability and social insecurity, which acted to limit union activity during this period, Fujimori enacted a number of labor reforms that further limited the ability of workers to organize and make demands. In 1992, Fujimori imposed restrictions on strike activity and decreased funding for the Ministry of Labor's enforcement activity. At the time, the vice minister of labor referred to the Ministry of Labor as the "James Bond Ministry," as it only accounted for 00.7 percent of the national budget. Anner estimates that the rate of unionization in Peru decreased by 66.67 percent from 1991 to 1998, from 30 to 10 percent of the overall population.⁴¹ Firing costs diminished sharply in these years through the elimination of job security regulations enacted by the military government. Reductions in firing costs and lower severance pay generally had the effect of reducing the duration of employment and increasing turnover.

Moreover, several union activists were threatened, jailed, and killed by the administration and their agents during these years in human rights violations that have led to the present incarceration of Fujimori and an ongoing investigation by the Peruvian

³⁹ Ibid.

⁴⁰ Moisés Arce, "The Societal Consequences of Market Reform in Peru," *Latin American Politics and Society* 48, no. 1 (2006): 27–54.

⁴¹ Mark Anner, "Meeting the Challenges of Industrial Restructuring: Labor Reform and Enforcement in Latin America," *Latin American Politics and Society* 50, no. 2 (2008): 33–65.

Truth and Reconciliation Commission. In December of 1992, at the beginning of the labor overhaul, the outspoken leader of the CGTP, Pedro Huilca Tecse, was killed at the hand of Grupo Colina, a para-military group mandated by Fujimori.

The Law 27360:

At the heels of the Fujimori dictatorship, in the year 2000, Law 27360 was passed as a temporary measure to stimulate investment in the agroindustry such as that currently flourishing in the region of La Libertad. The law effectively reduced the amount of vacation that agroindustry workers would receive from 30 – the amount enjoyed by non-agroindustry workers – to 15. Article 7 of the Law 27360 creates a separate labor regime for agroindustry workers, allowing more flexible contracts, a higher hourly wage, but an exemption from a yearly payment known as the *Compensación por Trabajo de Servicio* (CTS) and *gratificaciones*, a semi-annual paid by private employers to workers, as well as half the vacation time and flexible definitions of a standards work day, over time, and the corresponding pay to each.

The College of Lawyers of Ica (*Colegio de Abogados de Ica*), a group of lawyers that takes on legal projects of public interests, brought the case to the Constitutional Tribunal of Peru in 2006, claiming that the law was unconstitutional and discriminatory. In 2007, a year before the Constitutional Tribunal delivered its ruling on Law 27360 Dr. Enrique Fernández-Maldonado Mujica, Peruvian sociologist and director of Prevention and Solution of Labor Conflicts and Social Responsibility within the Peruvian Ministry of Labor, published *Los Derechos Laborales en los Acuerdos de Libre Comercio: Análisis del TLC Perú – EE.UU. y perspectivas para el Acuerdo de Asociación CAN – UE*.

His findings suggested that Law 27360 was inconsistent with the labor standards agreed upon in the Peruvian Trade Promotion Act, which will be discussed in the following section. There is a contradiction, he claimed, in the discriminatory treatment legalized in Law 27360, a promotional law in nature, and the principals of ILO Conventions 110 and 111 that prohibit discrimination in the workplace. The Law affects the workers in the agribusiness only, legalizing the payment of fewer social benefits than those workers in the standard labor regimen, a difference that is discriminatory in nature.⁴²

In the Constitutional Tribunal's decision, however, delivered in 2008, the Tribunal rejected the charge that Law 27360 was discriminatory. Below is an excerpt from their decision:

“The regulation established by the Common Labor Regime, on one hand, and for the Agricultural Labor Regime on the other, are not comparable *stricto sensu*, but they rather ... present substantial differences that allow for different legislative treatment due to objective and justified reasons, not having produced a violation of the principal right to Equality; therefore, the Law that regulates the labor regime, specialize for agriculture, is not discriminatory.”⁴³

Also:

“... It is article 103 of the Constitution, which authorizes legislation of a special and exceptional manner when, given the nature of the subject, it is merited for reasons that are not arbitrary or unfounded. ... The reason that occasions the intervention of differentiated legislation is precisely the nature of the subject, the uniqueness of the labor context in the agricultural sector, which is characterized

⁴² E. F. M. MUJICA, “Los Derechos Laborales En Los Acuerdos De Libre Comercio” (2007), http://www.cepes.org.pe/apc-aa/archivos-aa/a6febae6efa968397aff3016c880508e/FERNANDEZ_MALDONADO_Estandares_laborales_TLC_Peru_EEUU_y_AdA_UE_CAN_RedGE.pdf.

⁴³ Sara Campos Torres, *Tribunal Constitucional Declara Infundada Acción De Inconstitucionalisas Que Cuestiona La Validez Del Regimen Laboral Agrario* (Tribunal Constitucional de Peru 2008).

by its temporality, random nature, mobility, seasonality, informality, and difficult access to employment.”⁴⁴

In the report *Labor Market Politics and Rural Poverty in Latin America*, published under the supervision of the ILO with the FAO in 2012, Fernando Eguren, sociologist at the Center for Peruvian Social Studies (CEPES), explicitly references the harm done by Law 27360. “This law has been a reason for concern among organizations that defend labor rights, as it marks a break with those rights that workers have gained and had recognized.” In this sense, it would appear that the ILO at very least recognizes that some concerns with Law 27360 exist, choosing to expound upon its effects in an their annual publication on rural poverty.⁴⁵

The current implications of this law, which continue to affect collective bargaining in the agroindustry, will reappear in our discussions of SITECASA in Chapter VI.

POST-FUJIMORI:

After a controversial attempt to by Fujimori to remain in power at the end of his two terms in the year 2000, Alejandro Toledo was elected to office in 2001 with the promise of increasing social spending and working with those most severely affected by Fujimori’s policies. After the first year of his presidency, social budgetary issues had increased 7.5 percent as compared with Fujimori’s last.⁴⁶ In contrast to the tight-lipped effect that Fujimori had had on the labor movement, the transition to the democratic government of Toledo in 2001 produced an environment that was more tolerant of

⁴⁴ Ibid.

⁴⁵ F. EGUREN, *Capítulo VI Caso De Perú* (FAO, 2012).

⁴⁶ ROBERT R BARR, “The Persistence of Neopopulism in Peru? From Fujimori to Toledo,” *Third World Quarterly* 24, no. 6 (2003): 1161–1178.

mobilization. In 2002, the magazine *Caretas* reported that at least 800 different protests took place in the city of Lima.⁴⁷

That same year, Peru enacted the Law on Days of Work, Hours and Overtime, which sets the maximum days and hours of work, night work, and regulates overtime hours. These are collectively known as individual labor rights, as opposed to collective labor rights which affect a population's ability to organize and collectively bargain. It was also in 2002 that Peru adopted its final two of the eight fundamental ILO Conventions (CO138 and CO182) on the minimum age for laborers and the worst forms of child labor.

Peru's Law on Collective Labor Relations, enacted in 2003, regulated freedom of association, collective bargaining, and the right to strike – so-called collective rights. In 2005, the government established Regulations on Safety and Health in the Workplace, which laid down minimum safety and health standards, enforcement responsibilities, as well as the rights and responsibilities of employees and employers. While we see that a number of positive individual and collective labor reforms took place after the fall of Fujimori, the on-the-ground experience of many unions during these years did not reflect the advancements made on paper. This will be discussed in more detail in Chapter VI, using specific examples from the case of SITECASA in La Libertad.

THE NEW TRADE POLICY WITH AMERICA:

In 2006, Peru and the United States signed the Peruvian Trade Promotion Act (PTPA), which further consolidated an already strong trading relationship. While the PTPA promises to have a number of positive impacts on the Peruvian economy, it contains an updated chapter on labor standards that is of relevance to this study. As part

⁴⁷ Arce, "The Repoliticization of Collective Action After Neoliberalism in Peru."

of the so-called “New Trade Policy with America,” Chapter 17 of the PTPA is intended to reconcile some of those problems in labor that have been linked to increased trading pressure.

After the original signing of the PTPA in 2006, a number of labor groups – primarily based in the U.S. – argued that the labor language was still not strong enough to protect workers in the U.S. from being outcompeted for their jobs overseas – the recurring theme of the “race to the bottom.” Especially outspoken was the AFL-CIO, which as an organization has categorically opposed free trade agreements for this reason, arguing that workers in the U.S. cannot compete with countries that don’t respect basic labor standards.

Historically, labor provisions have not been included in bilateral trade agreements or free trade agreements, as labor issues were considered to be of domestic concern, not related to trade. The earliest international organization responsible for monitoring trade, whose conventions we’ve already discussed, was the ILO, founded in 1919 and now forming part of the United Nations.

The ILO has currently adopted 183 Conventions, eight of which fall into four key areas that are considered their “core labor standards.” These include 1) the freedom of association and collective bargaining, 2) the elimination of forced labor, 3) the elimination of child labor, and 4) the elimination of discrimination in respect to employment and occupation. While the ILO has no enforcement mechanisms, it promoted compliance with labor standards through what Bolle (2008) identified as “consensus, moral suasion, and technical assistance.”⁴⁸

⁴⁸ Mary Jane Bolle, *Overview of Labor Enforcement Issues in Free Trade Agreements*, CRS (Congressional Research Service, The Library of Congress, February 29, 2008).

On May 10 2007, the labor language was updated to include four additional principles: 1) that each party to an agreement should “adopt and maintain in its statutes, regulations, and practices, the rights as stated in the ILO Declaration and its Follow-Up”; 2) that no party can lower its labor standards; 3) that no party can use discretion regarding resources and policy priorities as justification for patterns of action or inaction; and 4) the dispute settlement processes for commercial disputes should be the same as for labor disputes.

The PTPA was the first FTA to be renegotiated with this new and stricter language in 2007. As opposed to the labor provisions of NAFTA or CAFTA-DR, all of the labor provisions of the PTPA are fully enforceable through the same dispute mechanisms used by commercial disputes. This is true for State-State disputes and investor-State disputes and, for the first time in any trade agreement, the mechanisms refer to the obligations outlined in the labor chapter rather than referring to each party’s obligation under domestic law.⁴⁹

In general, any individual or group wishing to file a complaint under the guidelines established by the PTPA would have a formal complaint prepared by a non-State party – most commonly a labor union, and submitted to the Office of Trade and Labor Affairs (OTLA) in the Department of Labor. Only one such complaint has been filed to the OTLA under the PTPA and, to date, not a single labor dispute in a free trade agreement has reached the United States Office of the Trade Representative (USTR) for arbitration. The possible role that Chapter 17 of the PTPA could play in future union negotiations will be discussed in the study’s conclusions.

⁴⁹ Jeanne J. Grimmett, *Dispute Settlement Under the US-Peru Trade Promotion Agreement: An Overview* (Congressional Research Service, The Library of Congress, August 12, 2011).

This chapter has server to establish a macro-level and historic tie between labor, trade, and labor flexibilization as a concept that will inform a discussion of labor organizing in future chapters. The next chapter will look into ways in which trade has altered the physical, social, and economic patterns of La Libertad, specifically the town of Chao.

Chapter IV: Agribusiness, La Libertad, and Chao

Theories of international trade are often ungrounded in time and space, discussing international markets as a dimensionless series of production processes, goods, and human capital in the form of labor. It is important to remember that globalized processes find roots in localized geographies of production. The effects of trade in Latin America have taken diverse and creative forms – language that harkens David Harvey (2007) in his description of the creative destruction wrought by neoliberal policies throughout the developing world.⁵⁰ Furthermore, these processes of economic liberalization are acted upon by the context specific social, political and environmental particularities of place. There are complex interactions already at work within such spaces that, once overlaid with a macro-level economic reform, reorient their functions so as to best take advantage of the shifting framework.

THE GROWTH OF AN INDUSTRY

In La Libertad region, the effects of trade have fundamentally altered the landscape and the social fabric of a region now dominated by crops that will travel thousands of miles, filled with nutrients, water, and added value that will nourish American and European consumers. Situated on the northwest coast of Peru, La Libertad covers approximately 25,500 square kilometers and represents roughly two percent of the country's total surface area.⁵¹ To the north lie the regions of Lambayeque (coastal), Cajamarca, and Amazonas. To the east, La Libertad is flanked by San Martín and to the south by Huánaco and Ancash (coastal). The region has Trujillo as its capital, and is further divided into 12 provinces and 83 districts. It is the only region in Peru that has

⁵⁰ David Harvey, "Neoliberalism as Creative Destruction," *The ANNALS of the American Academy of Political and Social Science* 610, no. 1 (March 1, 2007): 21–44.

⁵¹ Banco Central de Reserva del Perú, *Caracterización Del Departamento De La Libertad*, 2011.

geographic features from the country's three major ecological regions: *costa*, *sierra* y *selva* – coast, mountains (the Andes range), and jungle (the Amazon basin). The coast comprises 10,700 square kilometers, the mountains 13,400, and the jungle an estimated 1,395.⁵²

Within Peru, La Libertad is a major player in the national economy. In 2010, it contributed 4.9 per cent to the national Gross Value Added (VAB), ranking third after Lima, which beat the playing field by leaps and bounds at 53 percent, and Arequipa at 5.7. The relative importance of the region is even larger when the focus is narrowed to agriculture, where La Libertad is responsible for 11.6 percent of the national total, second only to Lima with 21.1 percent.⁵³

In recent years, the coastal provinces of La Libertad has become especially focused on the development of nontraditional agribusiness, producing large quantities of asparagus, artichoke, avocado, table grapes, and red pepper to be primarily sold onto the international market. The crops grown in the region were selected as being best suited to the region's specific geographical and climatic characteristics, yet the decision of MNCs and domestic agribusiness to invest in the region was heavily contingent on the cost of labor, the quality and convenience of local infrastructure, and financial incentives offered by the regional government of La Libertad.⁵⁴

In 2007, the growth in agricultural production was steady at 10 percent, while exports had grown an average of 27 percent annually between 2003 and 2007.⁵⁵ Of these exports, it has been asparagus that has had the biggest economic impact, as nearly half of all agricultural exports (48 percent) of nontraditional exports from Peru last year were

⁵² ProInversión, *La Libertad: Población y Necesidades Básicas.*, 2007.

⁵³ Banco Central de Reserva del Perú, *Caracterización Del Departamento De La Libertad.*

⁵⁴ Barham et al., "Nontraditional Agricultural Exports in Latin America."

⁵⁵ Región La Libertad, *Invest in La Libertad Peru*, 2008.

preserved asparagus. Fresh asparagus accounted for another 13 percent, making asparagus responsible for 61 percent of total agro-exports.⁵⁶ In the same year, the asparagus grown in La Libertad – and mostly only in Chao and Peru – comprised 52 percent of the national asparagus total.⁵⁷ Development of nontraditional exports on such a massive scale sharply contrasts the subsistence agriculture that continues to dominate the rural provinces of Peru with primary crops being wheat, barley, and potato.

Within La Libertad, the majority of agricultural production is concentrated in the coastal province of Virú, where the cities of Chao and Virú are located and where many of the MNCs and domestic agribusinesses have established their headquarters and production facilities. The province of Virú occupies an approximate 3,215 square kilometers and has a population in 2011 that the INEI estimates to be 96,300.⁵⁸ The population growth in the province between the years of 1993 and 2005 was 5.97 percent, the highest of any province in the region of La Libertad and nearly double that of Trujillo, the second fastest growing province at 2.3 percent. The regional average growth over the same time period was only 1.82 percent.⁵⁹

Average regional temperatures in La Libertad hover around 18C, while a mere 15 to 20 millimeters of rain are expected on an annual basis. Forty percent of the regional surface area is considered apt for agricultural development.⁶⁰ There are three rivers that run through La Libertad, forming at the western base of the Andes Mountains and crookedly pushing towards the Pacific Ocean through arid provincial sand dunes. The Rio Santa, the most relevant river to our study, provides the water that irrigates the

⁵⁶ Ibid.

⁵⁷ Gerencia Regional de Agricultura Región La Libertad, *Plan Estratégico Regional Del Sector Agrario*, December 2008.

⁵⁸ INEI, *La Libertad Compendio Estadístico 2010-2011* (Instituto Nacional de Estadística e Informática, July 2011).

⁵⁹ Gerencia Regional de Agricultura Región La Libertad, *Plan Estratégico Regional Del Sector Agrario*.

⁶⁰ Ibid.

valleys of Chao, Virú, Moche, and Chicama. The Ministry of Agriculture estimates that 52 percent of the cultivated land in the region is irrigated.⁶¹

Although the province of Virú has historically had a stable temperature, plenty of sunlight, and well aerated sandy soils, the province was not agriculturally productive due to the frequent and extended dry periods and limited access to water by most small-scale farmers.

While foreign investment would later come to drive the advancement of agribusiness in La Libertad, the first step towards regional transformation came with the advent of the mega-irrigation project Chavimochic (PECH), first signed into law in 1967 and transferred to the Regional Government of La Libertad in 2003. The name CHAVIMOCHIC is an acronym that combines the names of the four valleys the project is intended to serve: Chao, Virú, Moche, and Chicama. The project captures the flow of the nearby Rio Santa, whose flow

While the demands of the international market would later push agricultural growth in La Libertad, the first step in transforming the region came with the advent of the mega-irrigation project Chavimochic (PECH) that was first signed into law in 1967 and transferred to the Regional Government of La Libertad in 2003. The name, a combination of the four valleys the project intended to serve - Chao, Virú, Moche and Chicama – PECH captures the flow of the nearby Rio Santa, which is estimated to have a flow rate of 150 cubic meters per second and diverts water onto approximately 181,000 hectares of farmland.

In 2011, asparagus comprised 14,800 of those total irrigated hectares and accounted for 205,400 metric tons of asparagus harvested. The USDA Foreign

⁶¹ Ibid.

Agricultural Service (FAS) estimates that asparagus exports in Peru were worth \$451 million in 2008, \$389 in 2009 during a worldwide economic downturn and \$472 million in 2011. At 71 percent, the United States is the number one consumer of fresh Peruvian asparagus in 2009. The next largest consumer – the Netherlands – accounts for a mere 11 percent.⁶²

AGRIBUSINESS

These numbers reflect growth which has been driven, in large part, through the investment of large private investors – multinational corporations and large domestic conglomerates. The Fujimori regime opened Peru’s market to international competition and enacted a number of laws, including Law 27360 mentioned in Chapter III, which guaranteed private investment to match public expenditure. According to the Heritage Foundation, a conservative think tank, Peru currently ranks sixth among the 29 countries in Central and South America in terms of economic freedom, which they loosely define as limited government and the ease of establishing private business. The higher the level of economic freedom, they say, the higher and safer the foreign investment potential.⁶³ In the period spanning 2012 and 2013, Proinversión, which is the branch of the Peruvian government that deals with foreign commerce, expects an additional \$503 million in private investment slated specifically for two large agroindustry projects. \$499 million of the total will go to the expansion of the Chavimochic irrigation project.⁶⁴

The problems associated with a model of economic growth that puts private investors at the helm have been widely documented. The concentration of wealth in relatively few hands and the notable withdrawal of the State raises the question of what

⁶² Foreign Agricultural Service, *Annual Asparagus Report* (USDA, September 2010).

⁶³ “Peru Economy: Facts, Data, & Analysis on Economic Freedom”, n.d., <http://www.heritage.org/index/country/peru>.

⁶⁴ ProInversión, *Project Portfolio*, August 7, 2012.

means, if any, will be responsible for carrying out the ‘trickle down’ effect held dearly in the hearts of privatization advocates. Labor flexibilization and the integration of Peruvian production with international markets mean that a market fluctuation half way around the world can have a felt impact in the region of La Libertad, sending workers into the streets with little or no cost incurred by the company who will simply rehire them when demand rises again.

Although MNCs will generally invest in a diversity of crops and industries on the international level to insure against market swings and unanticipated natural disasters, the host country has no such insurance. Local operations are highly susceptible to international shifts in consumption and climatic events, as production is narrowly focused on one or a handful of crops that are grown in monoculture plantations.⁶⁵ Production shifts can be caused by ecological disasters, international crisis – as was the case in 2009, when several MNCs in the valleys of Chao and Virú limited production in the midst of a worldwide economic downturn – as well as political or economic imbalances. Any such change is likely to have a major impact on the labor force, resulting in a cycle of hiring and firing that loosely corresponds to the demand for export-bound goods on the international market. This is especially true in the case of nontraditional export goods, which have no internal market to absorb them in the case of waning international demand.

The transnational, Bourgois notes, has “often willfully promoted this employment instability in order to increase its bargaining power with host governments and with combative labor unions.”⁶⁶ As Bury (2008) writes, “corporations have become the primary actors directing the structure and function of the global political economy,”

⁶⁵ Bourgois, *Ethnicity at Work*.

⁶⁶ Professor Philippe Bourgois, *Ethnicity at Work* (The Johns Hopkins University Press, 1989), 19.

adding that the largest transnational corporations are more influential than all but a very small number of nation-states.⁶⁷ In 2004, the top 100 transnational corporations – as ranked by foreign assets - controlled more than \$8.8 trillion in assets, 53 percent of which was held in foreign countries.⁶⁸

Furthermore, scholars have identified a growing need to study the behavior of corporations in local contexts. Bury (2008) states that “TNCs are intricately embedded in territories with distinct physical and human geographies with complex histories.”⁶⁹ In the case of Chao, whose residents find themselves increasingly living under the banners and inside the uniforms of large corporations, such a relationship merits further investigation. The town of Chao has found itself at the confluence of ideal conditions. Macro-level economic forces have lowered trade barriers and eased the entrance of foreign capital into La Libertad; simultaneously, the fertile soils of the coastal desert (see Figure 1) have allowed nontraditional exports to flourish and the geographic positioning of the valleys have drawn thousands of migrant workers from the region’s inner provinces. The town, which has grown from 10,000 to 25,000 over the last 15 years is a case study on – to use Thomas Friedman’s words – the “two most powerful disciplining forces on the planet”: Mother Nature and the free market.⁷⁰

CAMPOSOL

In the long list of multinational and domestic agribusinesses that made La Libertad their home over the last 15 years, this study will focus on one in particular. Camposol S.A., a Peruvian business registered in Norway and traded on the Oslo stock

⁶⁷ Bury, “Transnational Corporations and Livelihood Transformations in the Peruvian Andes: An Actor-Oriented Political Ecology,” 307.

⁶⁸ Ibid., 308.

⁶⁹ Ibid., 309.

⁷⁰ Thomas L. Friedman, “Hard Lines, Red Lines and Green Lines,” *The New York Times*, September 22, 2012, sec. Opinion / Sunday Review, <http://www.nytimes.com/2012/09/23/opinion/sunday/friedman-hard-lines-red-lines-and-green-lines.html>.

exchange, is currently the largest agribusiness in the northern region of La Libertad and, in the last 15 years, has become the largest asparagus exporter in the world. A third of the company is help by Dyer and Coriat Holding SL (D&C Holding SL), a large company managed by the Dyer family. The next largest investor is Deutche Bank, who holds approximately eight percent.



Figure 1: An asparagus field in Camposol's *Fonda la Gloria* outside of Chao.

The company was incorporated in 1997, when it first bought land in La Libertad. The company's executive chairman, Samuel Barnaby Dyer Coriat, is a member of the powerful Dyer family, well known in Peruvian business. The Deputy Chairman, Samuel Dyer Ampudia, is the founding shareholder of COPINCA, Calvinizadora Peruana S.A., Aceros y Techos S.A., Consorcio Latinoamericano S.A. and Ferreteria Dyer S.A., among others. He is also the Chairman of the Board of the D&C Group – often referred to as the

Dyer Group. As an aside, the elder Samuel Dyer was kidnapped under orders from Fujimori in 1992, a crime that was listed as one of four sentences (44 years total) dealt by Chile in approving the ex-president's extradition to Chile.⁷¹

According to their 2011 Annual Report, Camposol is estimated to be worth \$167.8 million.⁷² As a relatively young agribusiness, incorporated 15 years ago, Camposol specializes in nontraditional exports such as artichoke, red pepper, mangoes, avocados and asparagus, which continues to be their highest earning crop. In the low season, Camposol estimates that they employ 7,000 workers in La Libertad; during the high season, that number jumps to more than 10,000.⁷³ The success of Camposol has been hard to refute on paper, as the growth of the company in 2011 was 40 percent greater than that of 2010, a statistic reflected in ever-increasing stock value.⁷⁴

Yet in recent years, the company has been the focus of international and national labor disputes and domestic lawsuits that have raised questions as to the social cost of a widely successful agribusiness.

In 2008, the *Tribunal Permanente de los Pueblos* filed a moral sanction against 24 European and American corporations operating in Latin America that they found to be in violation of international rights. Three corporations operating in Peru made the list: Monterrico Metals, Bayer, and Camposol. Camposol was sanctioned for what the Tribunal found to be a systematic dismissal of unionized workers, a clear violation of workers' rights to association and the right to organize. Furthermore, the Tribunal contended that such corporations deserved a high level of scrutiny, as the neoliberal models that have encouraged their investment in the region were "implemented and

⁷¹ El Comercio, "Las culpas y deudas del expresidente," *El Comercio* (Lima, United States, October 25, 2012), sec. Politics, <http://search.proquest.com/latinamericanews/docview/1115124643/13A5D7D29923639258A/2?accountid=7118>.

⁷² Camposol, *Annual Report 2011*, 2011.

⁷³ Ibid.

⁷⁴ Capital IQ, *Camposol Holdings PLC*, October 14, 2012.

permitted by the States and the EU under the ruse of promoting economic growth and development to combat poverty and achieve sustainable development.”⁷⁵

This treatment of corporations as agents of change, as noted in Bury (2008) calls for a more complex evaluation of their behavior as corporations and their commitment to so-called corporate social responsibility. “Scholars need to generate rich organizational ethnographies that examine the structure and behavior of corporate entities,” he adds.⁷⁶ Although corporations necessarily interact with market and state actors, they are also responsible to civil society, despite their operations being clearly guided by the logic of capital accumulation.⁷⁷

As noted by Fernández-Maldonado (2007), who writes about job insecurity and corporate culture in Peru, “the strength of the argument for corporate social responsibility lies in the possibility of a “good” or “healthy” capitalism ... as opposed to a “savage” or unsustainable capitalism that exploits workers, cheats its clients, and destroys the environment without considering the implications of its actions for the middle to long-term.”⁷⁸ As we will discuss in the following section, the role of the State is important in this conversation, as recent trends in labor relations have been dominated by a discourse in which companies are increasingly expected to self-regulate and promote, in their own interest, sustainable social, labor, and environmental policies.⁷⁹

THE ROLE OF THE STATE

⁷⁵ Milagros Salazar, “Sancion moral contra practicas de 24 corporaciones europeas: [Source: IPS],” *NoticiasFinancieras* (Miami, United States, May 19, 2008), <http://search.proquest.com/latinamericanews/docview/467001677/139D159555C26F6E8C/52?accountid=7118>.

⁷⁶ Bury, “Transnational Corporations and Livelihood Transformations in the Peruvian Andes: An Actor-Oriented Political Ecology,” 310.

⁷⁷ Bury, “Transnational Corporations and Livelihood Transformations in the Peruvian Andes: An Actor-Oriented Political Ecology.”

⁷⁸ Enrique Fernández-Maldonado Mujica, “Los trabajadores, sus organizaciones y la responsabilidad social empresarial en el Perú: retos y posibilidades,” *Derecho PUCP* 2010, no. 64 (n.d.): 283.

⁷⁹ Fernández-Maldonado Mujica, “Los trabajadores, sus organizaciones y la responsabilidad social empresarial en el Perú: retos y posibilidades.”

“Si en un barrio de delincuentes hay tres policías, es un incentivo para violar los derechos.”

- Javier Mujica Petit

Historically, the Peruvian State has acted as a mediator in relations between capital and labor, guiding collective negotiations, making important decisions, and sanctioning companies that have failed to follow the established rules.⁸⁰ It was under the Velasco regime that the first concrete efforts to promote labor rights and protect workers were made by the State, though most decisions with regards to labor conflicts were made “*desde arriba*” without the involvement of labor as part of the political process. As a result, few of the advancements made with the State as mediator reflected the agenda of the labor unions but rather symbolic concessions made by the State.⁸¹

As noted by Arciniega (1996), the State has historically recognized a certain disability among its working subjects to resolve their differences, further encouraging this tendency by limiting their capacity to participate in processes of resolution. This led to increased interventionism that problematized agreement processes rather than facilitating them. Rather than building consensus, she adds, this institutional model has had the effect of stifling the power of workers’ organization and participation, effectively keeping the working class from becoming social and political actors.⁸²

In recent years, and as part of the general prescriptions associated with neoliberal policies, the Peruvian State has largely withdrawn from labor disputes, playing now only the peripheral role in receiving individual labor complaints and ruling as to the legality of organized protests. As noted by Vanderburgh and Liu, the Peruvian State has returned its focus to its role as a facilitator of export-led development based on natural resources and

⁸⁰ Arciniega, “Relaciones Industriales y sindicalismo en Perú.”

⁸¹ Ibid.

⁸² Ibid.

agricultural goods.⁸³ The absence of the State in questions of capital and labor have meant that such conflicts are more likely to be handled on the level of the private employer and less likely to be addressed through a national political system.

The Peruvian State has been criticized for creating a legal and economic framework that panders to private development at the cost of labor and environmental protections. In questions of labor rights, unions and labor advocates point to the creation of Law 27360 (discussed above) as a primary example of misguided state priorities. The law was passed under Fujimori in 2000, when José Chlimper, a business man in the agro-export industry, was the acting Minister of Agriculture. When the law was set to expire, in 2006, an additional law was passed extending its validity through 2021. Alliances between private capital and the State have become further entrenched with the passing of the PTPA in 2006 and the preceding ATPDEA.

The withdrawal of the State has also been linked to the high number of Peruvian workers operating in the informal economy. According to the ILO (2009), 70 percent of the Peruvian workforce is working in the informal economy.⁸⁴ One of the results of a large informal economy is the a reduction of state revenue that could provide potentially constructive services. In terms of labor, a reduction of state revenue has been linked to dwindling numbers of inspectors and officials who are specifically tasked with the protection of labor rights. In a report published in 2007, Fernández-Maldonado notes that “According to the ILO, the best indicators for showing this reality are the State’s capacity to oversee working conditions, such as number of labor inspectors and number of workers and companies each inspector has to cover.”⁸⁵

⁸³ Vandenburg and Liu, “Campesino Communities in North Peru.”

⁸⁴ Fernández-Maldonado Mujica, “Los trabajadores, sus organizaciones y la responsabilidad social empresarial en el Perú: retos y posibilidades.”

⁸⁵ Ibid.

The director of the Regional Ministry of Labor (RML) in Trujillo, José Ferradas Caballero, stated that it was the goal of his office to protect the rights of workers as outlined in the national legal framework. Since 2008, he has been at the head of the Regional Ministry of Labor and the Regional Labor Council (RLC), a body that he describes as an open table for dialogue across regional industries. Through this council, the RML works directly with the CGTP, the CTP, and the CUT, the three biggest umbrella unions in the country, the representatives of local unions, company representatives, large investment groups, and the Chamber of Commerce of Trujillo.

The Regional Ministry of Labor had 109 meetings to mediate conflicts between workers and employers in 2009. According to Ferradas, La Libertad leads the country in such “*extra proceso*” meetings which have the effect of resolving conflicts before they reach the level of a strike. On whether this number indicated a high level of discontent among laborers or a highly active regional government presence in resolving a moderate amount of discontent was not directly addressed, though he did note that most conflicts stemmed from calls for higher wages, complaints about “*los famosos descansos temporales*,” and greater respect for organizing rights.

In June of 2010, Ferradas and other representatives of the RLC had a meeting to discuss the ongoing conflicts surrounding Law 27360, the overturning of which was identified by the CGTP as a priority the same year. “Maybe at the moment it was passed, the wages given in Law 27360 were adequate,” he said. “But as the years have gone on, we need to consider if these are wages that are fair and viable for workers.” He noted that there was a general sentiment among the RLC and the RML that the law needed to be reviewed and revised.

“There was a reason to implement that law after Chavimochic was built,” Ferradas said. “We needed a law that promoted investment, but since that has been

completed, the economic conditions of the workers have not increased in the same way that those who made the private investments have.”

He added that the capacity for the RML to enact change in the plantations was limited by the fact that big decisions – such as the decision to alter the minimum wage paid to agricultural workers – were made by a centralized government in Lima with little consideration for regional variation. Furthermore, he explained that the resources allocated to the RML were ever-shrinking, as the State’s role in labor relations had been reduced in recent years. “We have 11 inspectors that cover the entire region of La Libertad,” he said. “Our resources are stretched incredibly thin, and those inspectors are the ones who are responsible for monitoring the labor conditions of workers.”

Alexis Rebasa, the vice-president of the Region of La Libertad, believed that state intervention had improved conditions for workers, adding that national policies had moved too far in favor of business. “National legislation has been conceived to benefit the businessman,” he said. “It hardly protects the agricultural worker.” While admitting that it was important to keep agribusiness in the region, he hoped that the regional government could work with companies towards a “*trato más humano*.”

A STRATEGIC PLAN FOR LA LIBERTAD

The promotion of nontraditional-oriented agribusiness, such as that which has come to dominate the region of La Libertad, was intended relieve debts that had been incurred during the phase of import-substitution. As the employment opportunities in La Libertad were limited to those in the city of Trujillo prior to the implementation of Chavimochic, agribusiness has been revered for the creation of tens of thousands of jobs. And although such numbers are an important indication of the impact of the industry, it is

equally necessary to understand how these statistics interact with other indicators of social wellbeing and economic progress.

Historically, Peru has shown indicators of extreme inequality. Richard Webb, who is believed to have first documented this in 1961, found that Peru had the same Gini coefficient (.61) as Brazil.⁸⁶ In 2009, Peru had a Gini coefficient of 49.1, slightly better than Paraguay (51.0), Brazil (54.7), and Bolivia (56.3).⁸⁷ In 2008, it was estimated that 17.3 percent of La Libertad was without income, while 41 percent earned less than 500 soles (\$190) a month and 23 percent earned between 500 and 999.9 (\$190-382) soles a month.⁸⁸ In 2005, 24 percent of La Libertad was still without water, 19 percent was without any sort of sewage system, and 30 percent was without electricity.⁸⁹

The promise of free trade, foreign investment, and the development of agribusiness in La Libertad was a project promoted in terms of job creation. The three stated goals of the Regional Ministry of Agriculture of La Libertad are the following: To correct the failures of the market, to reduce poverty, and to contribute to the conservation of the natural environment. Furthermore, their 2008 Strategic Plan states that “if it is true that agriculture is growing in a sustainable manner due to the dynamism of the economy and market liberalization, what we have found is a sector with low levels of agricultural and rural development that needs to improve itself in order to better take advantage of the opportunities that this has created.”⁹⁰

Under a general heading labeled “Low Life Quality,” the Ministry recognized “Dependency and Food Insecurity,” “Migration Rural to Urban,” and “Rural Poverty and

⁸⁶ Richard Charles Webb, Adolfo joint author Figueroa, and Instituto de Estudios Peruanos, *Distribucion Del Ingreso En El Peru / Richard Webb, Adolfo Figueroa*, Peru Problema ; 14 ([Lima] :: Instituto de Estudios Peruanos, 1975).

⁸⁷ *World Development Indicators* (The World Bank, 2009).

⁸⁸ ProInversión, *La Libertad: Población y Necesidades Básicas*.

⁸⁹ Gerencia Regional de Agricultura Región La Libertad, *Plan Estratégico Regional Del Sector Agrario*.

⁹⁰ *Ibid.*, 27.

Exclusion” as the three major problems.⁹¹ However, the only one of the three problems that the report addresses is migration, proposing measures that would keep rural populations from moving to cities.

CHAO: “DISTRITO ECOLÓGICO CAPITAL DE LA AGROINDUSTRIA”

The *Panamericana*, 10 meters in width, effectively divides the town of plantation workers into two parts: High Chao and Low Chao. Between them, semis haul the bounty of La Libertad towards the port of Lima, more than 550 kilometers to the south. Trailers hauling chicken, cows, pineapple and asparagus up and down the Peruvian coast slow as they pass through the town of Chao, but few stop. Occasionally, these trundling masses roll down their windows and toss a quick coin into the hand of a grateful sidewalk vendor who promptly tosses a bag of peanuts, chicken legs, or Satsuma oranges in return. To the west, coastal sand dunes glow under the bright Peruvian sunshine, soft castles jutting out towards the sea. To the east, the foothills of the Andes, the longest mountain range in the world, carefully protrude from the cultivated land.

Hostal El Milagro is a precariously built four-story concrete building on the south side of the *Panamericana*, sandwiched between mixed commercial residential buildings of the same material. From the top of *El Milagro*, which is the tallest of the immediately adjacent buildings, the skyline of Chao looks like a construction project abandoned without notice. While the ground floor of every building serves a clear commercial purpose – a pharmacy, feed store, or clothing exchange – the second, third, and occasional fourth story of each structure appears as a mosaic of varying material, the colors of textures changing as more material was bought and added. Impromptu clothing

⁹¹ Gerencia Regional de Agricultura Región La Libertad, *Plan Estratégico Regional Del Sector Agrario*.

lines are strung from protruding rebar on rooftops in all directions, with several ramshackle chicken coops visible in the cracks between buildings.

The rooftop of *El Milagro* is completely exposed, bright and hot in the desert sunshine that usually casts an intense heat onto Chao and the surrounding desert at 1 or 2pm after spending most of the morning behind a thick cloud cover. A rickety ladder leads from the rooftop to the fourth floor and is grounded on a dimly lit lineoleum-covered hallway with no windows. It is only when workers open the doors to their room that a brief slice of light enters the central walkways. In any given week, *El Milagro* houses between 25 and 30 workers employed by the companies that surround Chao. Each pays roughly \$50 a month for their lodging, a room that cozily fits a twin bed and a few sorted belongings. The doors to their rooms had no markings, and few workers who invited me into their rooms had much in the way of decoration. An occasional photo or poster was pasted to the wall, but most workers had arrived with little and acquired little since.

The owner of the hostel, a man named Juan Luís, had emigrated from the Andes two years prior to my first visit in 2010. He was a quiet man, frail and measuring in at just over five feet. Juan Luís and his family had moved for the same reason cited by most workers: economic opportunities on the coast far outnumbered those in the more interior reaches of La Libertad. Upon arrival, his wife had quickly accepted a job in one of the many plantations, which were attracting immigrants at astounding rates through social and family networks and formal recruiting practices. Due to physical limitations of his own, Juan Luís did not seek work in the agroindustry but instead opened his own business to serve those that would.

Juan Luís and his wife are just two of what the Municipality of Chao estimates to be more than 10,000 migrants who have moved to the city in the last 15 years. The

Peruvian asparagus boom has been estimated to employ 60,000 workers nationwide. In the towns of Chao and Virú, it has created secondary employment opportunities in sectors that support agribusiness, such as the housing industry and the case of *El Milagro*.

Chao is a young town by Peruvian standards. While the official population in 2011, according to INEI, is just over 25,000, it was not even two decades before that the landscape was dominated by empty, arid valleys and that the economic prospects were a reason to leave, not a reason to come.⁹²

Olga Hernandez, the City Manager of Chao, remembers what the valley was like before the agrobloom. “The water arrived for the first time in 1988,” she said. “In 1994 the companies started to come as well.” There was capital that arrived from all over the world, she explained. Venezuelans, Colombians, and Spaniards consolidated into what is now Dyer Group, the parent company of Camposol. In her interview, she explained the evolution of the valley of Chao:

Chao didn’t have an urban scene before. And despite that, it has managed to receive and hold thousands of people, people that come asking that their basic needs be met. (...) There was a lot of delinquency that came in those growing years – gangs, drug dealing, and death. The social impact of this development was neither foreseen nor planned. We decided that we were going to do this project and then we left it up to luck. A lot of people that were working on farmland before gave that up and went to work for the companies. The growth has converted those workers into peons. They have a meager salary, and it’s not stable (...) Chao has received roughly 10,000 immigrants, and they come with illnesses that we can’t treat – tropical illnesses, for example. (...) The State, it must be recognized, has failed to do an adequate job of planning – the social impact was not planned for and no one imagined what was going to happen.

Faustino, whose father worked in a sugar cane *haciendas* prior to the agrarian reform of 1969, has also been witness to this transformation. “Before, Chao was a town

⁹² INEI, *La Libertad Compendio Estadístico 2010-2011*.

of 20 or 25 families. Now, almost everyone who works in the agribusiness rents a house here in town.” While he agrees that the agroindustry has provided economic opportunities for workers that have flooded a town struggling to provide adequate infrastructure, he had no illusions about ‘the good old days.’ “It has helped everything to evolve,” he said. “Now most of these houses are made of *material noble* and people here have improved their quality of life.”

On the outskirts of Chao, Nuevo Chao, and Virú, there are visible indications that these once small communities have not been able to contain the effects of a quickly changing economic landscape. What Peruvians commonly call “*invasiones*” (see Figure 2) could also be called impromptu communities or shanty towns. These *invasiones*, where there is no running water, no electricity, and no means by which to dispose of human



Figure 2: An *invasión* on the outskirts of Chao.

waste, an increasing number of agroindustry workers are making their home. They are perhaps the most visible indication of failed state planning for rapid growth surrounding the industry.

While migration within the region of La Libertad has historically been directed from the rural Amazonian and Andean extensions of the region towards the capital city of Trujillo, the agroindustry has created a new destination for rural and urban migrants in the valleys of Virú and Chao. Such rapid migration has led to a number of challenges for the State, as they struggle to provide basic resources to a growing population.

Discussions of migration across international borders often include the establishment at the destination – in the presence of the migrant – institutions that can protect and create an infrastructure for those migrants. The same is true to a certain extent with internal migrants. The regional government of La Libertad has struggled to provide the services and infrastructure necessary to accommodate the rapidly growing communities surrounding plantations in Chao in Virú.

Nuevo Chao, which grew as an extension community to Chao, only got water and electricity in the last few years and in 2011 a school had recently been erected. The capacity of local schools has been stretched to accommodate a rapid influx of migrants and their children. One of the oldest elementary schools in Chao – now one of three – has 1,015 students in its high school and 1,130 in elementary school. In 1993, the school had 10 rooms, 25 teachers, and a total of 450 students between the elementary and high schools. While the number of students in each classroom has grown, the overall quality of the education has diminished. Manuel, the director of the elementary school in question, explains that while classroom sizes have grown, the welfare of students has diminished.

“We estimate that between 40 to 60 percent of students now are malnourished,” said Marcos, sub-director of the school. “Capacity depends on proper nutrition,” added

Manuel, “and with the 20 soles a day that workers are receiving, you can’t cover food for seven. This has had a major effect on the levels of education in the region.”

Aside from the quality of life available to those living in plantation towns, many workers are unable to find places to live. The general explanation for the growth of such *invasiones* is the lack of adequate housing in the towns that have already taken on thousands of new immigrants in recent years. The term ‘adequate’, however, does not only refer to the availability of housing, though that is the primary concern that was cited by workers. In addition to there being a simple lack of vacancy in hotels and apartment buildings, the wages that workers are earning are poor – and not guaranteed, at that – a fact that keeps many workers from being able to secure housing.

Karin and Clara, two young women who both previously worked for Camposol, now live in the *invasión* outside of Nuevo Chao. “It is out of necessity that I live here,” said Karin. Her husband was fired from Camposol in 2005 after he was recorded on video as having walked out of work during a strike. He was affiliated with SITECASA, but Karin insists that he wasn’t participating in the strike. Clara (see Figure 3), whose husband still works in Camposol, had to leave the company when she got pregnant. Now that her son is older, she hopes to return to work as a secretary soon.

Luís is the vice-president of the regional Chamber of Commerce, located in Trujillo, and the manager of one of the valley’s agribusinesses. “There should be role for the State in all this,” he said. “The companies are always going to help, but [basic needs] are the primary job of the state.”



Figure 3: Clara with her son and neighbor in one of the reed *invasión* houses.

“Not even those who pushed for this to happen thought it was going to grow this much,” said Sandra, a representative from the Regional Ministry of Labor. “The companies are helping out with sports complexes, schools, and things that will lead to the development of those communities,” she said. “Little by little, we are finding equilibrium, and not only in questions of labor but social concerns, too.” The head of the Regional Ministry of Labor, José Ferradas, explained that the State was effectively limited by the money allocated on the national level. “We see all labor complaints here in this office,” he said, acknowledging that they were really an office for labor dispute settlement and that he couldn’t answer questions about social equality.

Alexis Rebasá, the vice-president of the Region of La Libertad, implied that national policies were allowing companies to benefit from the region's abundant labor supply without adequate compensation. "What the State has legislated with respect to the agricultural salary [Law 27360] is – I think – particularly low given the large investments and profits that these companies are making," he said. "There is currently some discord between the free trade agreement that we signed with the United States and the law of agricultural promotion." In the words of Camposol worker Enrique: "With that Law in place, you can't advance one bit."

This concern was shared by Pablo Cuba, a labor lawyer based in Trujillo who in his 22 working years has taken on a number of cases involving workers at Camposol and other MNCs. "In 2001, they passed the Law 27360, incentivizing private investment in these arid lands," he said. "The companies go up into the mountains to bring workers to the coast, but once they are brought here it doesn't matter to them whether those workers live or die." He cited job insecurity, arduous labor conditions, and cultural displacement among the biggest challenges for workers.

"The expectations that they give workers are false. Once they are out of work, delinquency rates increase. These companies are incubating this process. They're working *de sol a sol*, but no one asks [workers] if they would like to return to their own land ... and now, with this Law, there are limited benefits available to workers. The Constitutional Tribunal says that it can't weigh in on questions of discrimination, even though the *Colegio de Abogados de Ica* found the law to be unconstitutional. This further foments inequality. There is absolutely no policy that makes [the companies] responsible for the same poverty that they are creating."

The Quiet Nights of Isabel

"Please excuse the poverty," Isabel said.

She paused, looked to her right and left, and then used both hands to push in the large wooden door that would open into the single room that served as her living room, bedroom, and kitchen. She turned on the single bulb hanging from the ceiling, revealing a nearly empty room. “My neighbors and I look out for one another,” she said, acknowledging that the blocks surrounding her house in High Chao weren’t especially safe. Once the door was closed, we could hear firecrackers exploding in the street, a sure sign that Independence Day was approaching. It was 8pm. At 430am, Isabel would wake, pull on her Camposol uniform, and start her morning walk back to the bus station. It would be nearly 630am before the sun came up over the foothills of the Andes and onto the lush and irrigated crops of Chao valley.



Figure 4: Isabel, 2011.

In 1998, Isabel migrated to Chao with her mother and three children. Friends in the area had told her of abundant jobs in the plantation and she had no trouble getting immediately hired in the plant shortly after arriving. For years, her mother and children had filled her now empty room with laughter, food, books, and clothes. She had brought them with her, she said, in search of a better future. “So they don’t end up like me,” she said. Her husband kept his job in Chimbote, an hour south of Chao, where he was a well-paid taxi driver. After years of living apart and her husband coming to visit the rest of the family in Chao on the weekends, her mother moved to Lima, giving her no option but to take her children back to her husband’s family in Chimbote.

“They usually call me between eight and nine,” she said, glancing occasionally at her dark cell phone lying on the dining room table. “It makes us feel like we’re closer

than we are,” she said, her own words seemingly hard for her to hear. She grew quiet, holding back tears. “It’s difficult, you know?” she continued. “But there is really no other way.”

Like countless other workers that fill the plantations of the northern Peruvian coast, Isabel had never imagined a life away from her family. She had not imagined herself working on a plantation, waking up in an empty house, or starting her day by pulling on the same Camposol uniform. “Your body gets used to it,” she said. “And in recent years, they have been treating us better.”

Chapter V: Foreign Capital and Interior Migration

As foreign capital has migrated into Chao at an ever-increasing rate, so too have migrants from neighboring regions. The role of the migrant in La Libertad agroindustry lends itself to important discussions of social networks and nontraditional export production systems, as well as the gendered and ethnic lines along which arriving migrants are divided in the workplace and in their recently found communities. The high volume of migrants working in the fields and factories of La Libertad also raises questions about internal and south-south migration as opposed to dominant discourses that have focused on south-north migration paths.

According to Grasmuck (1983), the unequal processes of development in the rural global south have created conditions that have led to both the displacement and need for labor.⁹³ Similarly, Massey and Capoferro (2006) note that under import-substitution policies, jobs with sustaining wages were available while under neoliberalism, employment opportunities and wages fell in a way that forced families to diversify their labor portfolios beyond the local labor market.⁹⁴ The growth of agribusiness on the coast of Peru has depended upon such displacement, as the workers that have fueled the rapid growth of the industry are largely characterized as resource-poor migrant workers.

Workers who migrate to the coast of Peru generally follow two mechanisms: social networks and recruiting practices. In the discussion that follows, we will see that whether workers came to agribusiness through the former or latter appears to have some implication for their permanence in the valleys of Chao and Virú, their workplace determination, and their involvement with labor organizing activities.

⁹³ S. Grasmuck, "International Stair-step Migration: Dominican Labor in the United States and Haitian Labor in the Dominican Republic," *Peripheral Workers. Research in the Sociology of Work* 2 (1983): 149–172.

⁹⁴ Douglas S. Massey and Chiara Capoferro, "Sálvese Quien Pueda: Structural Adjustment and Emigration from Lima," *The ANNALS of the American Academy of Political and Social Science* 606, no. 1 (July 1, 2006): 116–127.

The first migration mechanism corresponds to those migrants who came to the coast by way of social networks and capital. Perhaps the more organic of the two processes, the important role of social networks in migration has been well documented by migration scholars. The first premise of network theory, as outlined by Lee (2010), is that social ties provide the mechanism for linking and channeling migrants from their origin to their destination. This connection minimizes risks and costs associated with obtaining information, housing, and employment opportunities in the destination region. Such networks also facilitate upward movement once the migrant has arrived to their destination, as incorporation into existing social networks increases the economic security and likelihood for success among migrants.⁹⁵

Such concepts are evidenced in the communities of Chao and Virú, where several workers have come to live with family and members of their place of origin networks. A field worker from Camposol, Emiliano moved from Huamachuco with his wife nearly four years ago. “My wife’s sister and her husband lived here,” he explained. “We lived with them for three years while I worked in the plantations before we found our own place.”

Marisa, who was born in Piura, came to Virú years after her husband and sister had come to work on the plantations. “They were already here, and they said I could find work,” she said. “I brought my son and my sister’s child to live with us, and now I work with my sister in the field.” Her husband has since left to Lima, but Marisa has remarried, and claims that her son – now 15 – can cook, clean, and do everything that she can no longer do while working in the plantations.

⁹⁵ Sang E. Lee, “The Ties Made in the Harvest: Nicaraguan Farm-worker Networks in Costa Rica’s Agricultural Exports,” *Journal of Agrarian Change* 10, no. 4 (October 2010): 510–536.

“I was practically without work in Motupe,” said Ignacio, in his 50s, noting that his farm back home hadn’t gotten good rain in years. “When my daughter came to the plantations, I called a friend who lived here to see if there was work. He said yes, and I came after her to see what she was doing.” He now works in Camposol doing carpentry and maintenance work. Like Emiliano, Marisa, and Ignacio, many other workers cited a family member as a primary reason for moving to work in agribusiness.

Although the dominant framework in migration studies have focused on the importance of social ties through kinship or community, migration scholars have often overlooked the importance of labor recruitment. Labor recruiting practices, according to Lee (2010), have greatly stimulated migration by lowering the costs and risks and perpetuating constant motion.⁹⁶ The need for a large seasonal workforce, as discussed in previous sections, is an inherent characteristic of agribusiness.

Labor recruitment is a commonly recognized practice among agribusinesses operating in La Libertad. Camposol officials, in a 2011 interview, acknowledged that recruiting laborers from other provinces was the only way they could cover their labor demands. In exchange for a three month commitment by workers, the company offered housing, food, and free transport to their company headquarters in Chao. In 2011, the company was constructing a large *campamento* where they expected to house thousands of additional workers coming through recruitment mechanisms.

“We have to go to other provinces to meet our needs,” said Alberto, a public relations officer for Camposol, “but we’ve always had a plan of where to put them.” If the company cannot put them in the *campamentos* provided on site, it is common that they contract housing with private operations throughout Chao and Virú.

⁹⁶ Ibid.

Several young workers living in *El Milagro* explained the relative ease with which they came with the company from rural provinces in the *selva* and the *sierra*. “They took my blood, had me sign a contract, and brought me to Chao,” said Montoya, only 19 years old. “I wanted to see other parts of the country, and they promised me housing and food.” What originally seemed like an irresistible offer resulted in a reality that was less than he had hoped. “It turns out that only the dinner is free – they take the rest out of your paycheck,” he said.

Ricardo, another worker living in *El Milagro*, came from Pucallpa. “I came here to tempt fate,” he said. “I wanted to know a new environment.” He described the recruitment process in similar terms, as a mere formality for those looking for employment. “They asked for my blood, a urine sample, a few documents, and here I was.” He came with more than 200 other workers in a bus paid for by the company and although he had been with Camposol for nearly seven months, he hoped to move on soon. “Things aren’t what I expected,” he said. “When we arrived, they put us 10 to a room and treated us like animals. They tell you they’ll give you housing for a month, and I was enthusiastic until I realized it wasn’t true.”

He was just over 20 years in age, young and far away from home. “My parents think I’m doing okay, but the truth is I’m not happy,” he said. “I supposedly came here to find a better life, and I don’t want to worry them.” The words of Ricardo reflected a sentiment that was shared by many who had come from distant provinces through recruitment mechanisms “It’s *chocante* when you come from far away, leaving everything behind,” he said. “Those who have spent more time here have better connections – family or someone to support them.”

It was a process that was also reflected in the words of workers who were native to the region, understanding that immigrants inherently faced much greater challenges

than those who had social networks to support them. “Immigrants who come alone have everything to lose,” said Jorge, a native of Chao and long-time worker at Camposol. “If the company fires them, they take off, while those from here or who have someone here have options.”

ETHNICITY IN PERU

While ethnicity emerged as a dominant theme in this study, ethnicity is not recognized by the Peruvian census. The nearest proxy that is used in discussions of ethnicity is native language but, because native tongue is not a direct indication of origin, there is little official data that would allow patterns of inequality to emerge along ethnic lines. Some authors (see Figueroa and Barrón, 2005) have used history and geography as a proxy for ethnicity, though large provincial cities were excluded from their studies and labeled as blanket ‘mestizo.’⁹⁷

Muñoz, Paredes, and Thorp (2007) note that common discourse in Peru doesn’t recognize ethnicity as a determinant but is more likely to recognize class, regional, or occupational divisions.⁹⁸ One potential implication of this, as Glidden (2011) suggests in her work, is that ethnically-based social movement have had much more success in countries such as Ecuador as compared to Peru. She attributes this, at least partially, to ethnic movements being pre-emptively co-opted by other actors (the State under Velasco and the *Sendero Luminoso*), the strength of the class-oriented left, and the fact that those provinces with the largest indigenous populations are far from Lima, reached by way of challenging topography.⁹⁹

⁹⁷ Ismael Muñoz, Maritza Paredes, and Rosemary Thorp, “Group Inequalities and the Nature and Power of Collective Action: Case Studies from Peru,” *World Development* 35, no. 11 (October 2007): 1929–1946.

⁹⁸ *Ibid.*

⁹⁹ Lisa Glidden, *Mobilizing Ethnic Identity in the Andes: a Study of Ecuador and Peru* (Lanham, Md: Lexington Books, 2011).

The last half century in Peru has not given rise to any predominantly ethnic-based social movement. The *Sendero Luminoso* was rejected by large portions of the Peruvian population, including the indigenous population, for its violent and authoritarian tendencies. Yet, ethnicity was a clear indicator in the way that the violence in this period was committed.¹⁰⁰ The Peruvian Truth and Reconciliation Commission, which published its final document in 2003, noted that 75% of the victims killed in the war spoke an indigenous language. The Commission's proxy for ethnicity was language which, although not a perfect indication of ethnicity, can be a useful statistic when one considers that only 16% of the total population spoke an indigenous language in the 1993 census.¹⁰¹

ETHNIC TENSIONS IN CHAO

In the process of collecting data for this study, it became evident that while ethnicity was not formally recognized as a defining characteristic by the Peruvian authorities, it was an issue that community members and workers alike talked about with a great sense of verity. In my interviews as well as in conversations overheard in the communities of Chao and Virú, it was clear that ethnicity was something that guided, to some extent, relationships between migrant groups.

In one of my first interviews, a young worker walking along the Panamericana commented to me, "I don't know if you've realized this, but Chao has become a little Peru." I acknowledged the comment in passing, as my study had originally been focused on the expression of labor rights, but the theme returned in a number of later conversations. The implications of ethnic diversity for labor rights will be discussed below, after a broad overview of the way in which residents of Chao and Virú talked about places of origin.

¹⁰⁰ Muñoz, Paredes, and Thorp, "Group Inequalities and the Nature and Power of Collective Action."

¹⁰¹ The Peruvian Truth and Reconciliation Commission, *Final Report* (Lima, Peru, August 2003).

Ethnic tensions have found a stage for performance in the communities that have grown around the agribusinesses of La Libertad. While migration has exacted a clear social cost for the entire populations of Chao and Virú, the blame for social problems did not appear to be cast equally onto all ethnic groups. Those migrants from the *sierra* and the *selva* were cited in numerous interviews as being problematic for reasons traced to differing cultural practices and values. While such sentiments were most commonly expressed by those who were from the coast or had lived in the area for an extended period of time, similar comments were also made by those who had come from the *sierra* or the *selva* about their regional compatriots.

“The good never grows without the bad,” said Isabel, the night after an orange juice vendor had been shot in broad daylight along the side of the *Panamericana*. Much of the seemingly senseless violence in Chao and Virú, she explained, seemed to be the result of territorial disputes among migrants. “The majority of those who come from the *selva* have some tie to drugs,” she said. “Young recruited workers don’t tolerate the exploitation as well as other workers and they hit the streets. That’s why we have this delinquency.”

Marcos, who has worked for 18 years as the sub-director at an elementary school in Chao, noted that teen pregnancy, drop-out rates, and violence had increased in recent years. “[Migrants] come with a different way of thinking – and that brings problems,” he said. “The youth that come engages in sexual activity very young – at 15, 16, 17. They get pregnant and then we have to accommodate them, giving them tests at another time of year, etc.”

Originally from Cajamarca, Fernando had worked as an insect biologist with Camposol for several years. “Quality of life is a function of the habits that you live by,” he said. “If you come from the *sierra*, you live in disorder – you don’t clean yourself

much – and once you have that habit, you bring it with you here.” And that, he said, is “despite the fact that there is work *and* detergent here in Chao.”

Those who had migrated from the sierra were further discounted in conversation for their perceived low levels of education. “We have found that those who come from the *sierra* are very rural (*son muy del campo*) and they lack an adequate preparation,” said Marcos, again referring to the parents he has interacted with in his capacity as school administrator. “If they come from the cities, they’re a little better, but the rural *serranos* are the worst.”

ETHNIC DIVISIONS OF LABOR

The role of ethnicity in the development of agribusiness is multi-faceted. As this study has established that a large portion of the workforce employed in the fields and factories of agribusiness in La Libertad has come through migratory mechanisms, it is important to recognize the role that ethnicity plays in the lives of these workers once they have arrived.

The use of social networks – kinship and community ties – among migrants often results in what Portes (1989) deemed the “ethnic enclave,” a term used to describe pockets of working migrants that form along lines of origin.¹⁰²

As Wright and Ellis have described, ethnic forms of social capital also help workers to use networks associated with place of birth ties. In their analysis, they conclude that while specific training and acquired skills are effective in creating job opportunities for migrant, social capital is far more important in securing those workers a job. Social capital, they claim, goes “further in unpacking large-scale patterns in the

¹⁰² Alejandro Portes and Leif Jensen, “The Enclave and the Entrants: Patterns of Ethnic Enterprise in Miami Before and After Mariel,” *American Sociological Review* 54, no. 6 (December 1, 1989): 929–949.

industrial division of labor.”¹⁰³ Aside from facilitating the movement of migrants from one geographical area to another, these networks also serve to channel these workers into similar occupations, further defining the ethnic enclave to a specific job category.

Human resources representatives at Camposol not only recognized that such patterns were at play in their factories and in their fields, but said that it is the overt policy of Camposol to organize workers in the workplace according to place of origin. “When we bring a group of workers, we keep them together,” said Alan, human resources director for Camposol. The policy, he added, was intended to minimize the adverse effects of relocation on the migrant community and to encourage cultural solidarity.

At Camposol, this meant putting recruited workers into factory jobs while providing them housing in the *campamentos* mentioned earlier. By keeping recruited workers close to the factory, the company maintained greater control over their movement and reduced risks that were associated with workers living off company quarters and beyond supervision.

“All of the workers for our last *campana* came from the *selva*,” said Alan.. “That new *campamento* that we built alongside the factory, it should hold almost 11,000 workers in better conditions than they have ever had previously.” The housing provided for those recruited from more distant regions has the effect of dividing the housing facilities among ethnic lines as well.

Isabel, who has worked on and off in the factory for the last 13 years, added that “The workers that come into the factory are by and large from the *selva* and the *sierra*.” Over the years, she has seen large groups of recruited workers move through the factory.

¹⁰³ Richard Wright and Mark Ellis, “The Ethnic and Gender Division of Labor Compared Among Immigrants to Los Angeles*,” *International Journal of Urban and Regional Research* 24, no. 3 (2000): 583–600.

“[The company] goes to recruit people from the *sierra* 300 or 400 at a time,” adding that few of the factory workers stay beyond their short-term contract and that becoming close with new factory workers was difficult for that reason.

Given the company’s desire to keep workers together according to place of origin, and given that recruiting practices bring large numbers of workers from the same place of origin into almost unanimously factory jobs, the ethnic division of labor quickly formed around task specification. Factory workers were for the most part those who had come to Chao through recruitment practices and were, therefore, more often from rural provinces in the *sierra* and *selva*, which corresponded to higher levels of indigeneity.

“All those tarps next to the plant are for workers that they bring from far away,” said Ignacio, a maintenance worker. “If you walk into the factory, you can tell by all the different dialects you hear.”

Here I will return briefly to the work of Soja (1983), who suggests that employer-created ethnic divisions of labor in the workplace may serve the purpose of dissuading cooperation among workers, pitting groups organized by place of origin in competition with one another. Such tactics are echoed by Bourgois (1989), who documented the United Fruit Company’s use of “divide and conquer tactics” to exploit racial animosity between Hispanics and blacks on Costa Rican banana plantations. By keeping ethnic groups separate, he argues, a mixed workforce was prevented from developing solidarity or a solidified identity reflecting common challenges.¹⁰⁴

In this part of the discussion, the research of Glidden (2011) is also of relevance. In her work, which looks at possible explanations for the lack of ethnic-based mobilizing in Peru, she posits that those who have come from the *sierra* and the *selva* may have

¹⁰⁴ Bourgois, *Ethnicity at Work*.

internalized their inferior position in the national ethnic hierarchy. A similar concept is described by Bourgois (1989), as he notes that the indigenous workers on Costa Rican plantations had internalized a self-depreciation that inhibited their ability to resist intimidation or abuse by supervisors.

The attitudes expressed by workers and company management in Camposol tended to lend credence to such notions. In an interview with Camposol representatives, they implied that workers from the *sierra* were well suited by nature to the work in the factories. “They are hard workers, and they complain very little,” said Alan. Other workers observed that those who had arrived to Camposol through recruitment mechanisms were much less likely to speak out or “*meterse en problemas*” when disputes arose in the factories.

Chapter VI: Labor in the Plantation

“Derechos hemos siempre tenido; el cumplimiento de ellos es lo que nos hace falta.”

- Jacinto

The plantation is a well-researched site of capital accumulation, the expression of relationships of power, commodification, and labor exploitation. On the nontraditional export plantations of La Libertad, raw matter – land, crops, and labor – are transformed into capital by the numerous foreign and national agribusinesses who have installed operations in the region. Classic class-based struggles, as noted by Walsh and Snyder (1979), will forever pit the power elite and corporate chieftains against farmworkers while allowing their abundant resources to influence political and other elites.¹⁰⁵

Although Peru is a signatory member to international free trade agreements and labor rights conventions that seek to standardize working conditions with local norms and practices, a large gap remains between labor rights on the books and labor rights in practice. A critical challenge facing many developing countries, including Peru, is how to meet international labor standards while maintaining a competitive edge in global industries. As is especially true with agribusiness, the speed and efficiency of workers is central to the effectiveness of corporations moving perishable crops across vast distances, a fact that makes a stable, reliable workforce of central importance to the industry.

Yet in the data collected for this study, it appeared that the need for an efficient and well-disciplined workforce was often achieved in ways that were at odds with basic labor rights. Interviews indicated that aggression, sexual harassment, humiliation, discrimination against unionized workers, and baseless dismissal from the workplace were problems that workers encountered both in the field and the factories on a regular

¹⁰⁵ Edward J. Walsh and Robin Snyder, “Power Models and the Farm Workers’ Struggle: A Case Study of the Agribusiness Vs. UFW Conflict,” *Qualitative Sociology* 2, no. 1 (Spring 1979): 112–137.

basis. Aggression at the workplace, as discussed by Einarsen and B.I. Raknes (1997), interacts with a number of factors that are already playing out between workers and management, namely status inequalities and power relationships.¹⁰⁶

As is the case for most if not all workers in the factories and fields of Camposol, their employment there is one of the main if not the only source of income for their family. Furthermore, their attendance is imperative to job retention. We also know that in the region of La Libertad, the abundance of cheap and readily available labor, in addition to definite contracting practices, has pushed economically insecure workers to tolerate poor working conditions and abusive treatment from management.

VERBAL HARASSMENT

Workers reported verbal abuse as the most common form of pressure applied to workers in the factory and the field. In both settings, workers are given standards – whether a poundage of asparagus in every crate or a number of cans to be sealed every minute – that they must uphold in order to maintain their position as an employee.

As Camilo explains, “In 2003, the management became more aggressive with us – we had to produce more, faster, and we had to cover more ground in the fields.” While he was relatively young, there were a number of older workers that fell behind. “Some workers simply didn’t have the capacity to go any faster.”

Clara, who worked in the factory before becoming pregnant with her son, remembers that being yelled at was commonplace, and that few workers ever responded to verbal harassment. “I wanted to remind [the supervisors] that they weren’t working with animals,” she said. “They would try to intimidate us, getting close and yelling ‘advance!’”

¹⁰⁶ Ståle Einarsen and Bjørn I. Raknes, “Harassment in the Workplace and the Victimization of Men,” *Violence and Victims* 12, no. 3 (1997): 247–263.

The necessity to tolerate harassment was a common theme among workers describing verbal abuse. “We have all been humiliated,” said Isabel. “But the necessity was too great.” She described a manager who consistently tried to ‘break’ her and her colleagues. “There was one man – a truly mean man – who used to always say ‘I don’t care what happens in your house, the important thing is your production.’” He was the manager that eventually drove Isabel to join SITECASA.

Because the company pays in accordance with Law 27360, the agribusiness regimen that does not require companies to pay equal wages to its workers, many companies have instated ‘bonus systems’ that rewards workers for packing larger crates of asparagus or working more hours in the factory. The verbal harassment and pressure that is applied to employees by managers is not only something that workers must learn to tolerate but, in accordance with the bonus system, may even result in greater economic gains for the workers and, in turn, their managers.

“I joined SITECASA because I couldn’t stand how the management treated the workers,” said Mario, the first registered member of SITECASA. “I started as a supervisor, but I didn’t like how enslaved the workers were. We had to yell at them, that was part of the job.”

In 2008, workers reported that the company held a series of workshops with the goal of improving relations between workers and their supervisors. “From that point forward, they were supposed to stop yelling at us,” said Clara. Yet workers in 2010 and 2011 reported that yelling and intimidation practices were still widely practiced by supervisors. “The supervisors will yell right on top of you,” said Jacinto. “And nerves can be an ugly thing – in front of an authority your nerves can cause you to perform much worse.”

Intimidation was another tactic described in interviews with several workers. Oftentimes supervisors were reported to have made an example out of a particularly slow or delinquent worker in hopes that their colleagues would take note and fall into line.

“I’ve seen grown women crying in the factory,” said Jacinto. “The conditions always were that if you say something, you go to your house. The reality of the workers has made it so that they are working out of necessity, without access to education, and in that way we have no choice but to support these conditions. Our reality is disastrous.”

In recent years, workers reported that the company has isolated workers in the field if they are believed to be problematic. “They put me far out in the field after I complained that my rights were being violated,” said Enrique, a former factory worker who had recently joined SITECASA. “After the protests in 2010, the company moved me far out into the harvesting fields and had me picking the weeds between the asparagus rows,” Mario added.

Unionized workers also reported being targeted by supervisors for their affiliation with SITECASA. While the massive firings associated with union membership are in the not-so-distant past, interviews with unionized and non-unionized workers indicated that the company has systematic ways of treating unionized workers differently, often times using them to dissuade non-unionized workers from affiliating. Clara, whose husband was a member of SITECASA before being laid off after the protests in 2005, said “Camposol doesn’t treat members of the union equally. Affiliated workers don’t usually finish out their contracts.” Furthermore, the treatment of unionized workers by supervisors often takes a different tone. Unionized workers are often accused of “not wanting to work,” or “trying to cause trouble,” and publicly shamed in front of non-unionized workers in a manner that, according to SITECASA members, dissuades workers from affiliating to the union.

Ignacio, who has worked as a maintenance worker in the factory since 2004, said that he has witnessed supervisors using union-based threats on numerous occasions. “They say things like ‘if you union members don’t want to work, I’ll go talk to my boss and he’ll send you home.’”

WAGES AND HOURS

Discrepancy in wages and hours are ongoing problems for agribusiness workers who claim that companies are highly inconsistent in their allocation of both. Most workers interviewed reported earning between 300 and 380 soles (\$116 - \$147) per two weeks, for an average monthly salary of approximately 680 soles (\$263). This number seems to be slightly higher than those reported in a study by Calisaya and Flores (2006) that found most women in the Peruvian asparagus industry to be making approximately 16 to 18 soles (\$6.20 - \$7.00) a day, though those numbers were collected four to five years before my interviews.¹⁰⁷

Under Law 27360, agricultural workers are due a daily wage between 23 and 26 soles. This amounts to between 690 and 780 (\$265 - \$300) soles a month, a number that is said to include the CTS and yearly bonuses. The national minimum wage, without CTS or yearly bonuses, is set at 675 (\$261) soles a month under Legislative Decree 728. For common laborers in the private sector, additional sums in CTS and bonuses are paid on July 15 and December 15 and amount to a certain percentage of company profits and time worked. In the case of being fired, an agricultural worker will be paid approximately one-third of the sum paid to workers in other private industries.¹⁰⁸

Furthermore, the hours that agricultural workers can be accumulated and averaged over the period of the worker’s labor contract, meaning that there is no legal requirement

¹⁰⁷ Calisaya and Flores, *La Agroexportación No Tradicional En El País De Las Maravillas*.

¹⁰⁸ Ibid.

that the workday be kept to eight hours when a worker can be given consequent days off to reach the average of eight per day over the period of the contract. The common labor regimen, in contrast, states that only eight hours may be worked on any given day, with no more than 48 hours worked in any week and with a limit of 12 overtime hours per week. Likewise, a worker under the common labor regime must be paid 25 percent over his or her wages for the first two hours of overtime, 35 percent more for any additional hours, and 100 percent more if working on a Sunday.

Health benefits to agricultural workers are also much worse than those enjoyed by workers in other sectors. Under Law 27360, agribusinesses only pay four percent of health benefits awarded to the worker while the common labor regime requires the employer to pay nine.

INTERFERENCE WITH LABOR ORGANIZING

This study found that workers – almost unanimously – described working conditions that were arduous, that required long hours standing up, performing repeated monotonous tasks or bent over, physically toiling under a bright coastal sun. They described working hours that were inconsistent, unpredictable, and not always reflected accurately in their paycheck. They also described a general desire to be better treated and more respected by their supervisors and company managers.

Yet despite the vast and diverse accounts of discontent among workers, only 850 are registered members of the company's only independent union SITECASA. Interviews revealed that the company had a number of techniques used in the workplace that acted to disincentivize worker participation in organized labor activities.

Several workers reported receiving a 50 sol (\$19) bonus from the company upon signing their contract under the condition that they would not join SITECASA. Fernando,

when asked why he hadn't joined the union answered, "If I affiliate with SITECASA, I don't get any benefits. Plus, the guy in human resources told me that the month I signed they were giving out 50 sol bonuses for everyone who didn't join the union." He added that he didn't know much about the union and hadn't followed up with any of its members. Marcelo, who was 29 and lived with his brother Francisco in *El Milagro*, also reported receiving a 50 sol bonus when he signed his contract after he promised not to affiliate with the union.

The wife of Juan Luís, the owner of *El Milagro*, was shocked to hear that anyone could join the union. "When I joined, they told me I had to work at the company for four years before I could affiliate!"

In more subtle terms, many workers were told either by supervisors or human resource representatives that the company would not support them as affiliated members of SITECASA. Rumors circulated that once a worker had affiliated, they wouldn't be allowed to enter the workplace. As both unionized and non-unionized workers described, the union remained something that many laborers were afraid to be part of, largely because of false information that had been circulated or propagated by the company itself. As discussed earlier, the general lack of job security makes it difficult for workers to take risks in the workplace.

"No one wants to take the risk of rubbing the company the wrong way," said Marisa. "But what they don't realize is that the company doesn't really care about any one worker."

SEASONALITY AND JOB SECURITY

In recent decades, developing countries have increasingly confronted two trends, seemingly in opposition: the adoption of international labor standards and the movement towards greater market flexibility.¹⁰⁹

A flexible labor force, which generally correlates to lower levels of worker power and collective mobilization, has been shown to increase labor fragmentation and erode personal security.¹¹⁰ Generally, flexibilization of labor has meant the passing of measures that would make it easier for companies to hire and fire a worker, the incorporation of women and youth – two groups who have seen less integration into the labor market – and the introduction of temporary work contracts. The result for workers has been increased labor insecurity. Several authors have argued that the model of flexibilization of labor, a consequence of globalization and common to neoliberal policies, has not resulted in a betterment of labor conditions for the working class.¹¹¹¹¹²

A brochure produced by the Regional Commission of La Libertad aiming to attract foreign agribusiness to the region, mentions the benefit of the “neutral Spanish accent” found in what it calls a “flexible and competitive labor force.”¹¹³

As noted by Ferm (2008), the terms of worker employment in the nontraditional agroindustry of Peru is a primary reason for job instability. What companies call “*descansos temporales*” – seasonal layoffs – are part of a package of labor flexibilization laws passed through in the Fujimori era that made it easier for companies to let workers

¹⁰⁹ Melani Cammett and Marsha Posusney, “Labor Standards and Labor Market Flexibility in the Middle East: Free Trade and Freer Unions?,” *Studies in Comparative International Development* 45, no. 2 (June 2010): 250–279.

¹¹⁰ Guy Standing, “Globalization, Labour Flexibility and Insecurity: The Era of Market Regulation,” *European Journal of Industrial Relations* 3, no. 1 (March 1, 1997): 7–37.

¹¹¹ Marjorie Zúñiga Romero, “Flexibilización Laboral y Ética Empresarial. (Spanish),” *Labor Flexibility and Business Ethics*. (English), no. 37 (June 2012): 321–349.

¹¹² Katrina Burgess, “Global Pressures, National Policies, and Labor Rights in Latin America,” *Studies in Comparative International Development (SCID)* 45, no. 2 (2010): 198–224.

¹¹³ Región La Libertad, *Invest in La Libertad Peru*.

go during seasonal production slumps.¹¹⁴ There were two major legislative mechanisms signed at this time, Legislative Decree 728 and the Law 25593, which eliminated the role of the State as tutor in collective bargaining and liberalized individual labor freedoms, respectively.¹¹⁵ While this has increased efficiency for MNCs, who are able to hire on a highly available labor force when production is high, it has been at a detriment to workers that such policies were implemented.

One of the primary reasons that jobs in the agroindustry are by definition precarious is the inherent seasonality of the work, which prevents consistency in hours and wages. Most of the contracts awarded by Camposol and other agribusinesses in the region are for three months, subject to renewal or termination depending – officially – on the performance of the worker. Under short-term contracts legalized under the labor flexibilization model, workers under short-term contract with agribusinesses do not receive health insurance, vacation, or social-security coverage.

“Workers can’t expect to work the entire year,” said Andres, vice-president of the Chamber of Commerce in Trujillo. “The company has the obligation to recognize the rights of the worker and to pay them for the work that they do. If there’s no work to do, they are not going to get paid,” he said, adding that “that’s what happens when you work for the State, and we’ve seen how that has worked out.”

“The nature of the work is cyclical,” said Alan, the director of human resources for Camposol, “which means that a lot of workers come and go.” In 2010, he estimated that 20 to 25 percent of workers who were hired stayed through the end of the year. Referring back to discussions of social networks, these numbers are likely reflective of the difficulties incurred by workers who come alone through recruitment practices and

¹¹⁴ Supra p. 4.

¹¹⁵ Fernández-Maldonado Mujica, “Los trabajadores, sus organizaciones y la responsabilidad social empresarial en el Perú: retos y posibilidades,” 284.

have little in the way of support in Chao. The implications of a highly mobile and frequently changing labor force presents obvious challenges for labor organizing, something that will be discussed further in the next chapter.

While the inherent connection between agribusiness and fluctuating labor needs is undeniable, the company practices appear to some workers to be overtly undermining the staying power of long-term employees. “The infuriating thing is, sometimes you will hear of a massive layoff only to turn on your radio and hear an advertisement from Camposol asking for new workers,” said Camilo. A woman in her 60s who had recently joined SITECASA explained that “the companies are accustomed to giving layoffs then choosing who comes back in. They wouldn’t receive older women like me.” It was after receiving her most recent *descanso temporal*, that she decided to join SITECASA.

Alvaro, a 19-year-old worker who had moved with his parents to Chao when he was 10, said that he had been laid off, on average, every three months. “After I finished high school, I ran out of money to keep studying,” he said. “I went to work in Ica, but the work was just seasonal. When I heard an announcement to work for Camposol, I came back.” Each time he was laid off, he would simply pass by another company to see if they were hiring. “The companies always ask a lot of you, but now it’s normal,” he said, “And God willing, they will give me three more months.”

“Jovencita Soy”

Flor, who was also 19-years-old, lived on the third floor of *El Milagro* (see Figure). On a small table, a pile of pots and pans were stacked against the bright green walls of her 6-foot by 8-foot bedroom. The table partially blocked the entrance to the bathroom and was less than a foot from her bed, which was completely covered with clothing, kitchenware, Camposol uniforms, fingernail polish, and magazines. She recently bought a

two-burner stove with her earnings from Camposol and, now that she had the necessary pieces, was going to try to cook more often in her room. She and another young girl that had also migrated from the *selva* slept together in the twin bed, splitting the cost of the room to save money.



Figure 4: Flor in her room at *El Milagro*.

The room was adorned with markers of adolescence. On one wall, Flor had haphazardly taped the posters of several boy bands, the most prominent being a five-person South Korean group called “Boys Over Flowers.” She had their DVDs and a wallet-sized photo of the band members that she took with her when she left her room. In the pile on her bed was the Camposol Annual Report for workers, a glossy publication that she hurriedly flipped through as we spoke. She shrieked as she recognized her friends in the photos, turning the pamphlet to show me who she worked with. Her room

was surrounded by mostly single male workers of a similar age. “The boys here are a lot of trouble,” said Flor, something she repeated to me a number of times. She had to avoid their gazes and avoid their advances at all costs, she explained. Her goal was getting to Lima, where her sister lived, and she didn’t want a relationship with any of the boys in *El Milagro* to keep her from moving on from Camposol.

“With time, I’m going to save my money,” she said. It was the only thing keeping her in a job that she described as tiring and poorly paid. Flor came from La Merced, a town of 50,000 in the province of Junín, when she was 13 years old. “I had nothing to do during school vacations,” she said. “I wanted to live alone and I didn’t want to be dependent on my parents any longer.”

The first time I met with Flor, she was optimistic about the mobility that her job at Camposol would allow her. She had worked there for more than six months at that point, and described the work as “*bacán*,” “*excelente*,” and said that she thought the treatment was “*bonito*.” She had heard stories about the days of yelling managers, she said, but had had no such experience herself. The second time we met, her tone had changed. She had slept in the day before and arrived late to work, an error forgiven on few occasions by company managers who were known to fire individuals after one late arrival. “If I miss again, they’re going to throw me out,” she said, clearly distressed. She was sick, hadn’t been sleeping well, and was less willing to describe anything in positive terms. “We have to stand all day,” she said. “Your body gets used to it, but sometimes you feel awful like I do now.”

“Things are better overall,” she added. “At least now the workers have rights and they can’t yell at us.” When asked about how such conditions related to union activity and what she knew of the group SITECASA, she described her decision not to join in simple terms: “If you promise the company you won’t support the union, they give you a

bonus of 50 soles,” she said. And those 50 soles, she added, are going to get her one step closer to Lima, out of Chao, and far away from Camposol.

Francisco and Marcelo, brothers who lived down the hall from Flor, expressed similar feeling towards the company. They were 23 and 29 years old, respectively, and had come together from Guadalupe in the province of Chiclayo. They both worked in the plant, peeling and canning asparagus. “We’re saving up enough to buy a ticket to leave,” said Marcelo. “I don’t want to spend my whole life in a factory.” Although Francisco wasn’t sure what he wanted to do, he agreed with his older brother, indicating that he would like to start his own business with the money that he had saved at Camposol.

GENDER AND THE WORKPLACE

In Peru, approximately 70 percent of the laborers who work in asparagus fields are women.¹¹⁶ They comprise the majority of factory workers, too, as many desired skills stereotypically assigned to women – fine motor skills, delicateness with monotonous and repetitive tasks – are highly sought after in the nontraditional export industry. In La Libertad and in the fields and factories of Camposol, the work force is largely feminized.

Yet the majority of women who enter agribusiness do so at a young age – most between 18 and 25 – and without completing their high school education.¹¹⁷ Although my research only included interviews with women over the age of 18, there were a number of minors working in the plantations with borrowed identification. This fact, along with gender discrimination in the workplace, has prevented women from being promoted to supervisory positions that would pay better wages and offer better job security. Even after decades of experience, such well-established hierarchies prevent women from advancing

¹¹⁶ Nora Ferm, “Non-traditional Agricultural Export Industries: Conditions for Women Workers in Colombia and Peru,” *Gender & Development* 16, no. 1 (2008): 13–26.

¹¹⁷ Ibid.

through the ranks. It is for this same reason that instances of sexual harassment are high in both the factories and fields of agribusiness, as most supervisors are men who have been tasked with managing a large number of workers who are predominantly women.

Clara stopped working for Camposol when she became pregnant with her son. Now that he has grown, she would like to return to work to supplement her husband's meager wages on another plantation but cannot afford to pay for daycare while she and her husband are at work. She remembers that women were often referred to as "*faldas*" – skirts – by their supervisors and that she would overhear managers telling women to "move their whore asses." Another female worker who had worked in the field on and off for several years reported that one of her area supervisors had once approached her in an isolated corner of a field and asked her to take her clothes off.

Between 1999 and 2003, Peru passed several laws aiming to protect women workers, including the prohibition of firing based on pregnancy and allowing that women take breaks for breast-feeding. Yet, as noted by Karim and Flores (2006), many women in the nontraditional sector have little experience with salaried employment and are unaware of their rights as workers.¹¹⁸

Though none reported such incidents in recent years, several workers reported having seen overt discrimination against pregnant women in the years when the first unionizing efforts were oppressed. "If there was a pregnant woman at work that was suffering from morning sickness, supervisors would come and tell her to return to her house," said Camilo. "Those days were really sad for everyone. I tried to get the supervisor to reconsider, but they threatened to send me home too." In 2007, the Lima-based NGO Aurora Vivar took on two legal cases regarding two young women who

¹¹⁸ Calisaya and Flores, *La Agroexportación No Tradicional En El País De Las Maravillas*.

alleged they had been fired from Camposol when their pregnancies became visible, charges that emphasize the ongoing challenges to women in the workplace.

THE WORK ENVIRONMENT AND POWER-BIASED TECHNICAL CHANGE

Beyond the ethnic lines that have divided laborers between the plant and the fields, as discussed in Chapter V, there may be additional factors that explain the vastly differing rates of mobilization and unionization among workers in the two working environments.

Field workers explained the process by which they had become aware of and eventually affiliated with the union SITECASA as happening organically, most often on the job. “You see someone get yelled at, and it makes you sad,” said Camilo. “Then you start talking to the people that are working next to you, and they agree that no one should be treated that way.” It is in this way – *en voz alta* – that workers in the field relate are able to share their experiences with verbal abuse, pressure, and harassment from their superiors. “I was talking to one guy in the field and he said ‘you know what, you should join the union’. He told me when the next meeting was and I became a member the next week,” said Mario.

In contrast, workers in the factory report high levels of control exercised by managers.

Jacinto, from Julcán – the *sierra* – describes the control exerted in the factory in the following words:

From the very first day, the labor conditions left me feeling incredibly indignant, subject to abuse both psychologically and physically. Once you have entered [the factory], you can’t smile, you can’t talk, and you can’t even look side to side while you’re working. You can’t do anything. The supervisor manages us all by yelling. He’s even made the older women cry. We knew we had the rights, but there was nothing to do.

Moreover, in a close and tightly monitored environment, workers are more likely to be affected by the abusive language used by supervising managers. “One day, our manager came and said ‘today heads are going to roll,’ meaning that he was having a bad day,” said Isabel. “Everyone was so nervous, thinking their jobs were at risk, and of course their production that day was worse than normal.”

Skott (2010) describes this phenomenon as power-biased technical change (PBTC). Referring to the logistical difficulties incurred by large MNCs, he argues that “the burdens of coordinating large, complex, geographically dispersed companies enhanced the bargaining power of those lower in the hierarchy and reduced that of top managers.”¹¹⁹ In other words, technological changes in the workplace affects power relationship, allowing managers to better monitor the other workers, effectively lowering the organizing capacity of workers looking to protest perceived inequalities.

The phenomenon may find an application in the discrepancy between the rates of unionization among field and factory workers. Currently, more than 85 percent of SITECASA members work in the fields. In his research, Skott explains that the power of the worker is found to be dependent on two factors: the sensitivity of the company to the worker’s actions (can he or she affect a large operation or costly piece of equipment) and whether or not the employer is able to effectively constrain the actions of the worker through monitoring and intervention.¹²⁰ Poor information systems, he contends, reduce the ability of employees to match output with the effort required for that output, increasing worker power and resulting in generally higher wages.¹²¹

¹¹⁹ Peter Skott, “Power Biased Technological Change, Endogenous Mismatch and Institutional Change,” *New School Economic Review* 4(1) (2010): 52.

¹²⁰ *Ibid.*, 55.

¹²¹ *Ibid.*

In the case of the field workers, the answer to the whether or not the company is able to constrain the actions of the worker is, for most purposes, negative. Field workers enjoy a great deal of freedom from managers and, largely because monetary bonuses are offered for pounds harvested and not hours spent in the field, the financial success of the workers and the company is dependent upon the worker's productivity.

Using the same criteria given by Skott, the outcome is quite different when applied to the factory workers, who have a high level of supervision at all times. In the factories, large groups of low-paid workers work under increased task specification and increased monitoring. The risk of increased monitoring, for the workers, is a heightened likelihood of being fired should the employer become aware of variations in the workers' 'effort'.¹²² Thus, the development of technologies that allow employers to monitor their workers has made productivity more than an output but a process that can be measured over time.

"In the field is where we're able to do most of our recruiting," said Camilo. "In the field, we enjoy more freedom, but that's not the case in the factory." Speaking about the initial work done by SITECASA in the field, he said that very little of it ever reached those workers in the factory. "SITECASA began in the field," he said, "and even though the conditions in the factory were just as bad, our efforts never reached them."

¹²² Ibid., 56.

Chapter VII: Labor Unions in La Libertad and the Case of SITECASA

“Nací digno y moriré digno.” – Julio Escobar

It was from the labor conditions that prevailed in the early years of La Libertad agribusiness that the first attempts at organizing among workers would emerge. As Arce (2008) describes, the growing disparities among regions within Peru were important in framing and forming collective political and union activity. Under neoliberal decentralization policies, workers could begin to “territorialize discontent” on their own terms.¹²³

THE EARLY YEARS

Workers began to realize that once organized, they would likely have much more leverage in negotiations with company officials. Early attempts to organize labor in La Libertad were met by fierce resistance by agribusiness management and state representatives. Two major cases stand out in the history of attempted union organizing in La Libertad. The first, that of union leader Julio Escobar, took place in 2002. The second, the case of labor advocate Lucía Herrera, would follow in 2004.

Julio Escobar (see was born in Virú but moved to Lima when he was young. He returned to La Libertad in 2002 under financial pressures and with the goal of supporting his family that stayed in Lima. He found work in the factory of Camposol and in the same year organized a factory-wide walkout in protest of poor working conditions and abusive treatment by upper management. The effort was promptly squelched by Camposol, who immediately fired Julio and a large number of workers who participated in the walkout. The company pressed criminal charges against Julio for damage to private property, a case they would eventually lose. While several union members were detained, the local

¹²³ Arce, “The Repoliticization of Collective Action After Neoliberalism in Peru,” 56.

population of Chao was ‘sanctioned’ and a two-year hiring freeze went into effect. Julio’s case was taken to the *Tribunal de Justicia* in Lima, at which time Julio claims that company offered to pay him to end what had been a nearly six-year endeavor. “*Nací digo y moriré digno*,” he said in 2011 when describing why he rejected the company’s offer. “*Dinero honesto es dinero digno*.” In 2008, he was reinstated to Camposol.



Figure 5: Julio recruits women for a protest in 2010.

The case of Lucía Herrera, a union leader in Sociedad Agrícola Virú, took similar form. She was also a factory worker who, as a woman, had taken issue with challenges that were both general to the working population and specific to the condition of female workers. When she organized a protest in 2004, her efforts were met with stiff opposition and she was quickly dismissed from the company. It was during her attempts to be

reinstated into the company that she received disturbing news from a family friend who also worked for Sociedad Agrícola Virú. “He told me, ‘There’s a price on your head,’” she said during an interview in 2011. “Then he told me, ‘I’m part of the group of men that is supposed to kill you, so keep your head down and out of sight until the company settles down.’” His confession may have saved her life, but it didn’t keep her away from labor organizing for long. She has since been reinstated in Sociedad Agrícola Virú, where she continues to work as a union leader, running campaigns throughout the region to raise awareness among workers, especially women, as to their rights in the field and the factory.

Camilo Aramayo, a factory worker who was the leader of SITECASA between 2007 and 2011, remembers that noticeable pressure on workers began to mount in 2003. “We were pushed to work faster, to produce more, to be more efficient,” he said. It was in 2004 that he and approximately 40 other workers met with a labor lawyer to discuss the possibility of forming a union to protect themselves against exploitation. In 2004, Peruvian law required that half or more of the workers in a given company needed join as union affiliates in order for the organization to be officially recognized.

When the company caught wind of the meeting, they fired Florentino Juarez, the worker who at the time appeared poised to become the leader of the union and, according to Aramayo, the company asked other workers to promise to “disassociate themselves from those people.” After Florentino was fired, Aramayo was the next in the line of fire. “I was given a *descanso temporal*, the company claiming that there had been a sudden downturn in production.” It was shortly after being let go that Aramayo heard a radio announcement asking that workers present themselves for employment in Camposol and he decided to take action. He filed complaints with the company and with the Regional

Ministry of Labor and was eventually readmitted to work in the factory in 2007. It was shortly thereafter that he organized a general strike.

It was during 2007 that the most aggressive demonstrations and the fiercest resistance from Camposol representatives would play out on the streets of Chao. When SITECASA members began to strike in July of 2007, the union had 800 officially registered members. The reaction of the company was swift. As union member Mario described it, “The company said that any union member who wanted to sign for their paycheck had to also sign their resignation from the company. In one day, we lost about 300 members.” Aramayo also remembers the day well. “The strongest ones refused to sign,” he said. “But the union was rendered weak that day.” Despite renouncing the act to local and national media outlets, there was no press that covered the event.

Nevertheless, SITECASA moved forward. In August, the union received news that its application for official recognition by the Regional Ministry of Labor was accepted. This came in the midst of ongoing pressure from the company offering monetary incentives for those workers who would voluntarily disassociate themselves from the union. Yet on the 29th of September, *Noticias Financieras* out of Miami reported that more than 800 people gathered in the Plaza de Armas in Chao to recognize the first three unions in the northern Peruvian agribusiness representing workers from Camposol, Ecus SAC, and Talsa. “It was worth the fight,” said Aramayo, quoted in the article. “Our dreams have finally become a reality.”¹²⁴ The company immediately responded by forming two in-house unions for management and paid union workers that they have used to wager leverage in collective negotiations.

¹²⁴ Azucena Leon Torres, “Tres primeros sindicatos del sector agroexportador en La Libertad; [Source: El Comercio],” *Noticias Financieras* (Miami, United States, October 22, 2007), <http://search.proquest.com/latinamericanews/docview/465580839/139D159555C26F6E8C/77?accountid=7118>.

While the gathering represented a symbolic advancement in what workers hoped were changing attitudes towards labor rights, Camposol continued to systematically violate these rights in the months that followed. In December 2007, the company fired another 385 workers, according to a report filed to the *Tribunal de los Pueblos a las Transnacionales Europeas y su actuación en América Latina y el Caribe* in 2008. Of the workers that were fired in December, 80 percent were registered members of SITECASA. In addition to massive layoffs, there were numerous reported acts of aggression, kidnappings, and death threats committed against unionized workers. Attached to the report were photos (and x-ray images) documenting the wounds incurred by SITECASA members when security guards at Camposol attempted to repress protestors.¹²⁵

In January of 2008, 400 SITECASA members went on strike for 48 hours to protest the firing of unionized workers. The Camposol human resources manager claimed that the workers were “inefficient,” further stating that “Here we don’t care if they’re unionized or not.” He also disputed the numbers reported by SITECASA, claiming that only 20 percent of those fired were registered members.¹²⁶ Despite earning the attention of the Regional Ministry of Labor, who collected information and organized a meeting to discuss the firings, only 50 workers would eventually be reinstated to the company.

Later that same month, the leader of the national union CGTP, Mario Huamán, claimed that 2,342 unionized workers had been fired from the private sector and 1,085 from the public sector in clear violation of their right to organize. “It is unfortunate that

¹²⁵ SITECASA CGTP and Asociación Aurora Vivar, *Informe De Caso Camposol A.S.*, May 2008.

¹²⁶ “Trabajadores de la empresa agroindustrial Camposol realizan huelga; [Source: El Comercio],” *NoticiasFinancieras* (Miami, United States, January 11, 2008), <http://search.proquest.com/latinamericanews/docview/467108847/139D159555C26F6E8C/68?accountid=7118>.

nothing has been done and that things have grown worse, as is evidenced by the firings in Camposol,” he said.¹²⁷

THE PROTESTS OF 2010

The rocky beginnings of SITECASA, officially recognized by the Regional Ministry of Labor in 2007, are still reflected in the ongoing negotiations between workers and the Company. In 2010, another series of violent protests would surface, eventually landing SITECASA workers at the Ministry of Labor in Lima.

On October 15, 2010, another protest began. The Regional Ministry of Labor determined that SITECASA affiliated workers had effectively paralyzed operations in violation of their contracts. All protesting workers were banned from entering Camposol the next day. The following day, seven of the SITECASA members that were leading the protest returned to work, claiming that their period of suspension had ended. Two of them were members of the SITECASA directive board. Each was given a *carta notarial*, outlining their dismissal from the company.

“We were ready to close down the Panamericana,” said Mario, a SITECASA member. “As workers, we felt defeated.”

An emergency meeting was called and SITECASA members began a protest in the city of Chao asking for the reinstatement of the seven dismissed SITECASA members. The company refused to negotiate and SITECASA relocated its protest to Trujillo, outside the Regional Ministry of Labor. It was there that leaders would participate in a number of news conferences denouncing what they called a continual disrespect for labor rights in Camposol.

¹²⁷ El Comercio, “Central de gremios amenaza con salir de nuevo a las calles,” *El Comercio* (Lima, United States, January 24, 2008), sec. Economy, <http://search.proquest.com/latinamericanews/docview/336315409/139D159555C26F6E8C/64?accountid=7118>.

For nearly 15 days the workers of SITECASA sat in protest, foregoing wages while many slept through the nights on the streets of Trujillo. The women collaborated to prepare *una olla común*, food that would fuel the ongoing protests. “The oldest and most committed members came out,” said Mario.

On October 27, an emailed communication from SITECASA members asked for the support of the international media: “*Estamos tratando de hacer llegar a los medios de comunicación, a los Srs. y Sras. Congresistas, a las asociaciones de empresarios que importan nuestros productos en el extranjero y a muchas instituciones hermanas de nuestra patria.*” It is urgent, they said. The members of the second and third largest unions in La Libertad agribusiness, SITESAV (from Sociedad Agrícola Virú) and TALSA, had also joined the cause. Attached to the email were several photos of women who had suffered perforations from bullets fired by security guards and men showing hemorrhages resulting from sticks that had been used to beat protestors back.

The demands made by SITECASA workers, and the terms by which they would end the protest, were the following:¹²⁸

- That the seven fired members of SITECASA be reinstated.
- That the weighing of asparagus crates in the field be done in the presence of workers.
- That workers be given working tools in accordance with technical specifications.
- That workers be given decent and appropriate work clothes.
- That the quality of worker transportation improve.
- That the company respect the eight-hour workday in the factory and the field.
- That the vehicles taking workers to and from the plantations be punctual.

In the same news release, they added that “All workers are tired of so much abuse, of bad working conditions and misery (attached are photos of our houses),

¹²⁸ La Directiva de SITECASA, “Pedido De Apoyo”, October 24, 2010.

working at a company that gives millions to its owners who live like kings.”¹²⁹ While the company refused to enter into dialogue, SITECASA noted that busloads of new laborers had been arriving to Camposol to replace the protestors. On the 25th of October, La República quoted a company official stating that the majority of its workers were coming to work in a “clear manifestation of their desire to keep working in peace.”¹³⁰

While SITECASA renounced the absence of company representatives in a dialogue before the Regional Ministry of Labor, the company insisted that it was SITECASA that was uncooperative in attempts to schedule meetings. On the 28th of October, the case was taken by the Ministry of Labor in Lima. Leaders of SITECASA went to negotiate with company representatives in a process mediated by Ministry officials.

A day later, a deal was struck. Two primary concessions were granted on behalf of the company. First, the company agreed to install 10 manual scales in the field and that both workers and company representatives would be present at the time the crates were weighed in order to avoid the irregularities that had been reflected in lower pay to workers.

In a decision that would later be described as controversial by both workers and those giving legal counsel to SITECASA, Camposol agreed to readmit two of the seven that were fired in the protests. The two men were both leaders of SITECASA. As seen in the coming description of failed SITECASA negotiations in June of 2010, this wasn’t the first time that union leaders had been privileged at the cost of the base.

Pablo Cuba, a labor lawyer that has worked for more than 22 years in the region and has counseled SITECASA since its formation, saw the decision as problematic.

¹²⁹ Ibid.

¹³⁰ “Camposol Se Defiende Ante Huelga,” *LaRepublica.pe*, n.d., <http://www.larepublica.pe/25-10-2010/camposol-se-defiende-ante-huelga>.

“They should have let those that formed part of the base enter instead of reentering work themselves as union leaders,” he said. “They don’t see it as problematic, but it sends the wrong message to the company. *Los trabajadores [de base] siguen bailando solos.*”

In an interview with company representatives in 2011, a human resources representative emphasized Camposol’s commitment to union organization and the freedom of association: “We always tell them about the unions when they arrive, and the fact that SITECASA has continued to grow over the years is evidence that we have not been impeding their activity!”

The Fall of Camilo

The night after collective negotiations between Camposol and SITECASA fell apart in the wee hours of the morning behind closed doors, Jorge waited for me on the curb in front of *Pollos Galácticos*, a restaurant on the Chao stretch of the *Panamericana*. The base of SITECASA, which was estimated at roughly 750 members in June of 2010, had called an emergency meeting of all members – *una asamblea general* – demanding an explanation of the board members who allowed negotiations to fall apart the night before.

Jorge is at this time on leave from the company, under accusations and a pending lawsuit alleging that he battered a company guard who was notoriously anti-union. After exchanging formalities, it became clear that the failed negotiations the night before were upsetting him still. “I can’t believe this happened,” he said, “After everything that we’ve worked for these past years.”

The day before, a Friday, the Regional Ministry of Labor had declared the general strike planned by SITECASA to be legal, meaning that no repercussions could be taken by the company against workers participating in the strike. The strike, which was planned

for Saturday morning, appeared to have broad support. In the three years since the union had formed, negotiators for SITECASA had never been in such a well-supported position: hundreds of workers were prepared to walk out of Camposol fields and factories on Saturday in the middle of high production season. Even the most vulnerable of day laborers, those who had been in the company for relatively little time or had the most children to feed, had signed on, collectively overcoming the relatively weak positions that workers hold as individuals.

At 1am on Saturday morning, a group of at least 50 workers gather around a table behind the bus station where SITECASA met on Fridays waiting for news from Camilo, who along with the other board members was at the negotiating table with Camposol in Trujillo (see Figure 5) The negotiations process was messy. Camilo, 100 kilometers away, was talking through each step of the negotiations with Jorge, who would then relay Camilo's comments to the crowd of workers. From the back of the crowd, it was nearly impossible to tell what was being said. "He thinks he's got to fold," I heard at one point. "They're offering to let him off the hook." The crowd yelled, angrily gestured, and after a couple more rounds of relayed messages to and from Trujillo, it was over: Camilo had forfeited a raise in minimum wage to have Camposol drop all charges against him.

A year earlier, Camilo was charged with defamation by Camposol for having spoken out against the company in the press. They were charges that he and his wife had been fighting with some help from the union, but the case had taken its toll financially and emotionally on their entire family. In addition to signing away their request for an increase in minimum wage, he had also signed away their right to strike the following day.

Arriving at the SITECASA locale, a small opening in a string of building between Chao and Virú known as San José, a large crowd had gathering awaiting Camilo's

explanation. Many workers who were unaware of the agreement that Camilo had struck at 1am had not gone to work that Saturday morning, as per the conditions of the strike agreed upon by SITECASA leaders. Because their right to strike had been signed away in the wee hours of that same morning, they were not excused from the day of work they had missed.



Figure 5: Jorge, holding his cell phone, tries to guide Camilo through negotiations with Camposol representatives.

The workers were still dressed in torn soccer jerseys, old t-shirts strung around their head to protect them from the mid-day sun. Their children were with them, crying, nursing, and irritable. Most faces were grim, soiled with dirt from a long day's work and chewing through the news that not a single point of negotiation from the night before had been met.

I could hear a group of men near me exchanging comments: "He failed all of us." "The company must have paid him off." "Everything he gained was for him." "What will we do now? We can't strike and we have no chance of negotiating."

Camilo took the microphone and the crowd grew silent. He looked terrified and absolutely exhausted. While he fumbled with the microphone, the crowd took advantage and began to release their tension. "We put all our faith in you!" one man yelled. "What will you say to my children!?" "How much did they pay you to stab us in the back?"

After gazing out over the crowd for some time, finally he spoke. "I've committed the biggest mistake of my life," he said. "The decision as to whether or not I continue in my position as the leader of this union is up to you. You will all decide my fate." Then he started crying. He described a life full of terror, in which every day he had arrived home to find a newly printed *demanda* from the company and a *plazo* in which he had to answer. Living his life between demands had ruined him, he explained. "I can hardly think, let alone live."

"Remember when you didn't think forming a union was your right? Remember when you didn't have a voice?" he asked. "I know I've failed you ... it's come to this extreme, but we're not done!" he said, pausing to wipe his tears. The crowd softened a bit, and an older man from the crowd offered encouragement. "*Fuerza!*" he yelled. "There's no shame here!"

The crowd grew silent, some still wiping their own tears from their cheeks while others continued to mumble their discontent. "Send Julio up to the microphone," someone yelled. Julio, the union organizer who had been blacklisted for eight years after staging the first successful protest at Camposol, stood up. The night before, he had tried to sway Camilo over the phone while he was in negotiations. "Don't you see what they're doing?" he had asked. "If we don't assert our rights, our children will be in this same

place! Slaves, just like us!” He had paced angrily while yelling into the phone. “Don't sign away everything we've worked for!”

And now, standing before the crowd, he embodied any remaining strength the workers had. He expressed his deep respect for everyone in the union, for the negotiating team and everything that they had all, together, achieved over the course of two years. “To be stupid is one thing,” he said calmly, “but to be just plain silly, is another.” Looking to Camilo, he said “With all respect, you never should have signed that act, shouldn't have even been close.” And with that, his mood grew visible worse. Julio pushed his way off the stage, handing the microphone to Camilo. As Julio left, so too did the workers, grumbling and lifting up their soiled hats to scratch their heads.

THE INTERNAL DYNAMICS OF SITECASA

In the scene described above, Camilo attempts to explain how he was victimized by the company, and how such pressure forced him to make a decision at the cost of the majority of workers. Giving up gains for the base in the name of individual forgiveness is not something unique to this scenario, though this was perhaps the biggest opportunity lost to personal gain.

Originally, the rules of SITECASA prohibited any worker who had either been or currently was involved in a lawsuit concerning the company from taking a position on the SITECASA board of directors. The reason was simple: they wanted to avoid any conflicts of interest that could compromise the goals of the union. Yet in the year before the negotiations outlined above, Camilo – with the support of the CGTP – changed the union's statute to allow those with pending lawsuits to hold positions of authority within the union.

The risk in doing so becomes evident in the scenario discussed above, where company representatives were able to offer Camilo and his family ‘freedom’ from a traumatic situation that they themselves had imposed. The possibilities for manipulation were high, and the loss came at the cost of all union members. A similar scenario pitting union leaders against the base played out in the fall of 2010, when of the seven SITECASA members that had been dismissed from Camposol only the two union leaders were resubmitted following negotiations.

The union was not exempt from hierarchies of power or suspicion of corruption, and through the interviews it became apparent that there were high levels of distrust in union leaders among some members of SITECASA’s base. As time went on, suspicions grew among union members that Camilo had been “bought” by the company. In 2011, Julio, the union leader who denounced Camilo onstage in the post-negotiations union meeting, formed a ticket to challenge Camilo in upcoming union board elections. Among Julio’s critiques of Camilo, which were shared by many workers, was the suspicion that Camilo was receiving money not only from the company but also from CGTP, the national worker’s union that many claimed had given poor guidance the night that Camilo folded in negotiations. Although Julio had originally forgiven Camilo’s misgivings the night of the negotiations, he was worried that the union was losing its credibility and the very integrity that he had originally fought to uphold in 2002.

“I saved him from a lynching that night,” said Julio, referring to the scene above. “But he didn’t value that support and now we need to move away from the influences of the CGTP to ethnical leadership in SITECASA.” On the night of August 6, 2011, Julio and his ticket were elected to the board.

Chapter VIII: Limits to Resistance and Conclusions

Currently, the union has approximately 800 members, though only 400-500 come to the large *asambleas generales* on a regular basis. Of these 800 members, only 300 are women, despite representing an overwhelming majority in both the field and the factory. More than 85 percent of SITECASA members work in the field as opposed to the factory. To date, the achievements that SITECASA members list are the lowering of the minimum weight of a loaded asparagus crate from 110 to 85 kilograms, an achievement that came at the end of 2007. At the same time, the company agreed to an eight-hour work day and to provide tools to workers. In 2008, the company implemented a system of incentivizing bonuses for high producing workers, and in the wake of the failed 2010 negotiations, every SITECASA worker got a bonus of 50 soles or, as one worker put it, “a new pair of pants.”

As Camilo stated in the weeks leading up to the elections of August 6, “It’s still the minimum wage that we haven’t been able to touch – and that it what we need to get next.”

In its five years in existence, the closest that workers came to the critical mass and support that would have been necessary to increase the minimum wage was during the negotiations of June 2010. And while the events that unfolded that night are telling of several problems that continue to impede progress among unionized members, this study has found that the hurdles to effective organization in La Libertad agribusiness were numerous, complicated, and, as evidenced in the text above, deeply rooted in the social, political, and economic context of the local communities described there.

Historically, union activity in Peru has been oppressed by private and state actors while union members have been aggressively dismissed from the workplace and, in

several cases, kept from finding employment in the same sector or industry. Although Peru has enacted a number of labor reforms that have lessened the effects of anti-labor laws passed by Fujimori in the 1990s, unions continue to be a controversial subject among some sectors in Peru. It is undeniable that the difficulties faced by union organizers in the past continue to inform workers' sense of security when choosing union affiliation as an effective means to achieving goals.

On the macro-level, there continues to be a large disconnect between the international labor conventions and the labor stipulations laid out in free trade agreement signed by the government of Peru and the expression of these rights in concrete contexts. The dispute mechanisms that have been built into the PTPA, signed between the United States and Peru, have not been used by a single private union in Peru despite labor rights being awarded the same right to dispute resolution as private investments in the trade agreement.

There are several reasons this may be the case. First, through the interviews it became clear that few union members understood the PTPA to be an instrument that related to labor rights in any significant way. Of the SITECASA members I spoke with, only one was aware of the labor obligations of the Peruvian government under the PTPA. While a general lack of knowledge of the international labor rights included in the PTPA – or the right to the report the violation thereof – may be a primary reason why no labor disputes have been taken through such dispute mechanisms, the scale of impact of the union may also play a role.

During negotiations of the PTPA with Peru, the CGTP protested in the streets of Lima. At the time that the PTPA was being rewritten to include modifications to the labor and environmental chapters as outlined in Chapter III, SITECASA was still struggling to form. That said, it was only the large national labor unions that spoke out in opposition to

the PTPA. There was little activity from industry-specific or company-specific unions in the years preceding its ratification. It is likely that while unions such as SITECASA had a clear stake in the passing of the PTPA, the CGTP, which is more visible, urban, and has access to more resources, was able to mount more substantial manifestation of opposition than a smaller, individual union would have been able to.

In addition, the new SITECASA leadership expressed discontent with the way that their relationship with the CGTP had developed, citing them as frequently misguided and out of touch with the challenges faced by SITECASA members. Moving forward, it may be the case that individual or industry-specific unions would have more success – and greater accuracy – when mounting labor claims specific to a company or region. As evidenced by labor disputes in Guatemala that are pending resolved through mechanisms outlined in the Central American Free Trade Agreement, it may also be beneficial for Peruvian unions – again, on the company or industry level – to make alliances with American unions with similar goals and concerns. In this case, it was the AFL-CIO that partnered with Guatemalan unions to bring the labor dispute to arbitration.

On the micro-level, there are several factors that have limited union organizing, some more discrete than others. In the most basic sense, geography has effectively limited the visibility of the challenges that plague the workers in Camposol and other plantations throughout the arid, empty coast of La Libertad. A 1912 newspaper clipping from the *Peruano* reflects the perceived distance of northern plantations from the decision making processes centered in Lima:

In these first days of the month of April, telegraphic dispatches from the Prefect of La Libertad announce to the Government that a formidable strike has been produced in the *haciendas* of the Casa Grande in the valley of Chicama. From its beginnings, the movement has been characterized by violence that threatens this rich agricultural zone and the city of Trujillo. Given the distance and the rapidness of the events the central authority had to send, without haste, line troops that

would assure the conservation of order disturbed by the striking workers. At the same time, ordered was the investigation of the causes of the strike and that the leaders of the movement form their requests and, if necessary, that their transfer to Lima be arranged so that they could converse directly with the Government and with the representatives of Casa Grande. The measures adopted by the administrative authorities managed to control the situation by the end of April ... and in order to prevent new conflicts from emerging, doctor Felipe de Osma has been sent to study the land, all that has occurred, with the end of uncovering efficient means by which the interests of capitalist workers in the sugar fields of La Libertad may be permanently harmonized.

While sending workers to Lima, more than eight hours from La Libertad by bus, may seem an excessive measure in the resolution of a labor dispute, both Julio – when being reinstated into the company after six years on the blacklist – and the seven workers fired in 2010 found resolution only after taking their complaints to the higher governmental ranks in Lima. By and large, the conflicts engaged by the members of SITECASA and the resulting protests have gone unseen by a large metropolitan population that may be able to apply additional pressure in encouraging authorities to resolve public displays of discontent.

Although the physical geography of La Libertad may play a role in isolating labor movements of the northern coast, the geographical origins and migration paths of workers appear to also have an impact on union involvement. Interviews and observations indicated that those workers who came through social networks – kin or community connections – were much more likely to stay in La Libertad and form a home and eventually bring other members of their immediate or extended family. As an extension, these workers were more likely to call the region ‘home,’ insofar as they made infrequent visits to their place of origin once they had reunited a significant portion of their family in La Libertad.

As Duncan and Ley (1993) describe, “place is more than an ‘object.’ Concrete, everyday practices give rise to a cultural mediation or ‘structure of feeling’.”¹³¹ As migrants who came through social networks settled into the area, their sense of place was altered, giving workers a greater sense of belonging and pride. Such feelings, I would argue, extended into their desire to defend that space and to protect the dignity of those workers within it. Of the SITECASA members interviewed, almost all had lived and worked in the zone for many years.

As affiliation to the union was one of the major challenges identified by union members, it is important to understand why more workers don’t affiliate, beginning with their mode of introduction into the region. There are several factors that appeared to limit the participation of workers who were recruited from more rural provinces in the Andes and the Amazon.

The first factor, which acts as the counterpart to the argument presented above, is the fact that most workers recruited from neighboring provinces are young and single. While some of them find partners and establish families in the region, the experience is much more likely to be transitory for those who do not have social networks in the region that support them. Because wages, contracts, and hours are pinned in a volatile manner to production and international market swings, job security is low. Without social capital to lean on, many single workers were quick to move on to Lima or another company. The general tendency of recruited workers to leave agribusiness shortly after they arrived made them a difficult population to target for union affiliation. Their ties to the region were limited and their commitment to improving working conditions was low, as they were not looking to support a family or settle down.

¹³¹ James S. Duncan and David Ley, *Place* (Psychology Press, 1993), 263.

A factor that further complicated this tendency was the relegation of recruited workers to factory jobs, and here the challenge is two-fold. By assigning immigrant workers to factory jobs, the company had overtly divided into labor force along lines of origin which, although an imperfect indicator, are correlated to ethnicity. This allowed for a segregation of the workforce between those workers who were more invested in the region and better informed as to their labor rights and those recently arriving and atomized workers with little knowledge of the region or the functioning of the company. In this way, recruitment opportunities were limited, as those working in the factories were doing so alongside fellow newcomers to the region. Moreover, this division was at least partially informed by perceived ethnic differences – such as the idea that those workers from the Andes or the Amazon are more agreeable or harder workers – which risks further promoting ethnic stereotypes and limiting workers with diverse task specifications from joining forces in solidarity or creating a unified sense of identity. As outlined by Glidden (2011), the internalized sense of inferiority among rural indigenous Peruvians may further serve to oppress labor organizing when workers brought from the Andes and Amazon are kept apart from a diverse group of workers with which they could join in a class, not ethnicity-based movement.

A third factor involves the employment of technology in the workplace. The highly-controlled factory environment creates an inherent challenge for workers looking to exert their value within the constraints of company surveillance. As indicated by Skott (2010), the power of a worker is dependent upon the company's sensitivity to his or her actions and the ability of the company to effectively constrain his or her actions through monitoring or intervention. His conclusions appear to play a partial role in the recruiting challenges faced by SITECASA members when looking to attract factory workers in a highly controlled environment. The freedom afforded by the large, open fields, in

contrast, provide ample opportunity for workers to discuss common frustrations and possible solutions through organization.

Finally, the internal dynamics of the union are an important challenge that has impaired the progress of SITECASA in recent years. Accusations of corruption and selfishness have undermined the once-stable base of solidarity. After numerous negotiations have resulted in a loss for the base and a gain for one or two union leaders, questions of loyalty and transparency have caused many workers to disaffiliate from the union. “When there is no transparency, there will be no gains,” said Daniela. “The workers aren’t convinced with the current administration, and why would new members affiliate if there are no gains to show for it.” As Scott (1990) notes, the infrapolitics of subordinate groups prescribe behavior in which no members of the group should rise above the level of the base. Yet power dynamics, as seen in the case of Camilo and the two rehired union leaders, surface when stakes are personal.¹³²

On a broad scale, a question that deserves more research is why in an industry dominated by women are only 35 percent of SITECASA’s members female. Historically, gender differences in occupational structures have been higher in Latin America than in other regions of the world, Peru being comparable to the rest of the region.¹³³ Known challenges to women in the workplace, such as the idea that a working women is doubly bound to earning money for her family and acting as the caretaker in the house, are likely the same factors that have limited the participation of women in unions such as SITECASA. As women have on multiple occasions reported being dismissed from agribusinesses during pregnancy, the forced absence of women workers who leave for

¹³² James C. Scott, *Domination and the Arts of Resistance: Hidden Transcripts* (New Haven: Yale University Press, 1990), 183.

¹³³ M. Moreno et al., “Gender and Racial Discrimination in Hiring: A Pseudo Audit Study for Three Selected Occupations in Metropolitan Lima” (2004), http://papers.ssrn.com/sol3/papers.cfm?abstract_id=491623.

maternity-related reasons would further challenge their ability to participate in union activities.

In summary, there are a number of interacting factors that appear to predict union involvement in SITECASA, the only independent union of Camposol. First, historical and legal frameworks have challenged the ability of union workers to organize freely and exercise their rights to expression and association. Secondly, the mode by which workers arrive to Camposol seems to predict their permanence in the region and their place of work. Recruitment practices propagate ethnic divisions of labor that exploit national social hierarchies that are further complicated by high levels of supervision and low levels of freedom. Finally, the vulnerability of union leaders to corruption or selfish acts against the interest of the base has led to a deterioration of union morale. Women, who represent the majority of the working population, are underrepresented in SITECASA due to factors that likely have as much to do with their reproductive capacity as their historical gender roles as formulated by Peruvian society.

CONCLUSIONS

Looking forward, the limited power of workers in globalized spaces of production continues to be a central question challenging the tenets of neoliberal policies worldwide. While economic reforms and their distributive effects have created winners and losers, it is important to take a critical look at who benefits from neoliberalization and to what extent those who don't benefit are being compensated or neutralized by the State. Moving forward, it will be necessary to analyze the actors that are setting the rules of the game and deciding the extent to which corporate and free market interests are able to dominate political and economic agendas that have exacted severe social costs, in many cases, on the most vulnerable sectors of society.

Conflict and class-based domination are primordial conditions that have long defined the relationship between capital and labor. As neoliberal reforms have the effect of economically transforming and rearranging Peruvian society, it is natural that those who find themselves as losers in the new economic framework will resist with all the tools at their disposal. In the case of SITECASA and Peruvian agribusiness, the question is not whether or not there should be conflict but what tools are available to labor unions as they enter into negotiations with the State and private investors. In order to improve the participation of unions in the redefinition of labor relations under an economic framework that has displaced many low-skilled workers, Peru must do a better job of guaranteeing the basic rights outlined in the several international agreements to which it is a signatory member. Although this study acknowledges that Peru has taken several legal steps in assuring the right of workers to the freedom of association and the right to organize, we see in the chapters above that there are a number of tangible and well-documented impediments to the effective participation of unions in the remodeling of labor relations.

The touted benefits of liberalized trade for labor throughout Latin American include an increased transparency of operations that would, in theory, shed a critical light on poor labor conditions and expose them to the demands of global consumers increasingly concerned with the social and environmental impacts of their food. The Peru Trade Promotion Act (PTPA) has gone further than any other U.S. free trade agreement in providing protective language and dispute resolutions mechanisms for labor. The general assumption among those in favor of trade liberalization is that labor will benefit from the abundance of jobs that free trade creates, particularly in the unskilled labor sector. It is further presumed that the capital flowing into countries such as Peru will

ultimately even the lowest economic rungs of society through state spending and private investment that creates additional employment.

And although levels of employment are considered a basic determinant of overall economic and as a result social welfare, especially in countries where the social protections are weak, one of the central criticisms of liberalized trade concerns is the quality and stability of the employment created. One aspect of this criticism is the fact that developing countries often promote low-tech industries in which they have comparative advantage – such as the case of nontraditional exports – instead of focusing on more dynamic, technologically-driven sectors. As a result, liberalizing policies may have the effect of de-industrializing a developing country and maintaining workers in poorly paid and insecure positions of employment.

In any case, serious questions remain as to whether or not free trade as a model for economic development and improved labor conditions is a promise that has yet to be fully realized in the country of Peru or if such promises have, across Latin American contexts, been largely a farce. The case of SITECASA and Peruvian agribusiness presents several important factors that have limited the effective organizing of labor unions within a national framework of trade liberalization and a local context of regional inequalities, internal migration, and geographic particularities. This study echoes the call that further research be done to better establish the role and responsibility of corporate interests acting directly upon local populations throughout the developing world.

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